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Transcript Exhibit(s)

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AZ CORP COMMISSION
DOCKET CONTROL

Docket#(s): W-02192A-07-0326

Exhibit # : A1-A4, 51-52

Arizona Corporation Commission
DOCKETED

NOV 28 2007

DOCKETED BY	nr
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Richard L. Sallquist, Esq. (002677)
SALLQUIST, DRUMMOND & O'CONNOR, P.C.
4500 S. Lakeshore Drive, Suite 339
Tempe, Arizona 85282
Telephone: (480) 839-5202 Fax: (480) 345-0412
Attorneys for Little Park Water Company, Inc.

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. W-02192A-07-____
LITTLE PARK WATER COMPANY INC. FOR)
AN EXTENSION OF ITS CERTIFICATE OF)
CONVENIENCE AND NECESSITY TO) **APPLICATION**
PROVIDE WATER SERVICE IN YAVAPAI)
COUNTY, ARIZONA.)

Little Park Water Company, Inc. ("Little Park") submits this Application to extend its water Certificate of Convenience and Necessity. In support of this Application, Little Park states as follows:

1. Little Park holds a Certificate of Convenience and Necessity ("CC&N") issued by the Commission to provide water service in portions of Yavapai County, Arizona.

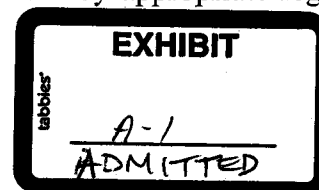
2. A copy of the completed CC&N Extension Application as required by the Commission is attached hereto as **Attachment A**.

3. A copy of the Line Extension Agreement with Verde Valley School, the owner of the subject property, supporting the Application is appended hereto as **Attachment B**.

4. Attached hereto as **Attachment C** are the Improvement Plans for the Verde Valley School showing the water facilities to be constructed under the Line Extension Agreement.

5. Little Park has sufficient water capacity to serve the Subject Area.

6. Little Park will provide service to the Subject Area under their existing service rates, charges, terms and conditions, as those rates may be amended by appropriate regulatory action.



1 7. Little Park has provided notice of this Application to the Property Owner in the
2 form attached as **Attachment D** hereto.

3 WHEREFORE, Little Park respectfully requests that the Commission hold a hearing on
4 this Application as soon as practicable, and thereafter issue an order granting the requested
5 extension of its water Certificate of Convenience and Necessity.

6 Respectfully submitted this 24th day of May 2007.

7 SALLQUIST, DRUMMOND & O'CONNOR, P.C.

8
9 By: 
10 Richard L. Sallquist

11 SALLQUIST, DRUMMOND & O'CONNOR, P.C.
12 4500 S. Lakeshore Drive, Suite 339
13 Tempe, Arizona 85282
14 Attorneys for Little Park Water Company, Inc.

15 The original and fifteen copies of
16 the foregoing were filed this 24th
17 day of May, 2007:

18 Docket Control
19 Arizona Corporation Commission
20 1200 W. Washington St.
21 Phoenix, AZ 85007
22
23

Copies of the foregoing were mailed
this 24 day of May 2007 to:

Hearing Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Legal Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Utilities Division
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

D, ch

ARIZONA CORPORATION COMMISSION
APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY
WATER AND/OR SEWER

A. The name, address and telephone number of the Applicant (Company) is:

Little Park Water Company

45 Castle Rock Road, Suite #4 , Sedona, AZ 86351

Tel. 928-284-2298 Fax 928-284-1974

B. If doing business (d.b.a.) under a name other than the Applicant (Company) name listed above, specify:

N/A

C. List the name, address and telephone number of the management contact:

Steve Gudovic, President

Little Park Water Company

45 Castle Rock Road, Suite #4
Sedona, AZ 86351

D. List the name, address and telephone number of the attorney for the Applicant:

Richard Sallquist, Esq.

4500 Lakeshore Drive, Suite #339
Tempe, AZ 85282

Tel. 480-839-5202

E. List the name, address and telephone number of the operator certified by the Arizona Department of Environmental Quality:

Mic Barker #928-284-1133

Little Park Water Company
45 Castle Rock Road, Suite #4
Sedona, AZ 86351
Tel. #928-284-1133

F. List the name, address and telephone number of the on-site manager of the utility:

Steve Gudovic - President

Little Park Water Company
45 Castle Rock Road, Suite #4
Sedona, AZ 86351
Tel. 928-284-2298

G. The Applicant is a:

<input checked="" type="checkbox"/> Corporation: <input checked="" type="checkbox"/> "C", <input type="checkbox"/> "S", <input type="checkbox"/> Non-Profit <input type="checkbox"/> Arizona, <input type="checkbox"/> Foreign	<input type="checkbox"/> Partnership <input type="checkbox"/> Limited, <input type="checkbox"/> General <input type="checkbox"/> Arizona, <input type="checkbox"/> Foreign
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Limited Liability Company (LLC)
<input type="checkbox"/> Other (Specify)	

H. If Applicant is a corporation:

1. List names of Officers and Directors:

Officers

Directors

Steve Gudovic

Mary Lynn Gudovic

Mary Lynn Gudovic

Steve Gudovic

2. Attach a copy of the corporation's "Certificate of Good Standing" issued by the Corporation's Division of the Arizona Corporation Commission. Attachment #1

3. Attach a copy of the Articles of Incorporation. Attachment #2

4. Attach a copy of the corporation's By-Laws. Attachment #3

5. If a for-profit corporation, indicate the number of shares of stock authorized for issue: 1,000 common

6. If stock has been issued, indicate the number of shares issued and date of issue:

100 common

H. If the Applicant is a partnership:

1. List the names of the general partners:

2. List the name, address and telephone number of the managing partners:

3. Attach a copy of the Partnership's Articles of Partnership.

- If the Applicant is a foreign limited partnership, provide a copy of the Partnership's "Certificate of Registration" filed with the Arizona Secretary of State.

J. If the Applicant is a sole proprietor, list the name, address and telephone number of the proprietor:

K. If the Applicant is a Limited Liability Company:

1. List the names of managers:

L. List the names and addresses of any other public utility interest, which the applicant may have:

Big Park Water Company, 45 Castle Rock Water, Suite #4, Sedona, AZ 86351

M. Attach a description of the area requested using **CADASTRAL** (quarter section description) or **Metes and Bounds** survey. References to parcels and dockets will not be accepted. Attachment #4

N. Attach a detailed map using the form provided as Attachment "B". Shade and outline the area requested. Also, indicate any other utility within the general area using different colors. Attachment #5

O. Attach financial information in a format similar to Attachment "C". Attachment #6

P. Explain the method of financing utility facilities. Refer to the instructions, item no. 7. (Use additional sheets if necessary):

As advances in-aid-of construction under the Standard Line Extension
Agreement and internal financing by the Company

Q. Estimated starting and completion dates of construction of utility facilities:

Starting date October 2007 Completion May 2008

R. Attach proposed Tariffs using either the water or sewer format of Attachment "D", unless the Utilities Division, prior to the filing of this application, approves another form. Attachment #7

S. Attach the following permits:

1. The franchise from either the City or County for the area requested. Attachment #8
2. The Arizona Department of Environmental Quality (or its designee's) approval to construct facilities. Not available at this time
3. The Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.) N/A
4. Any U.S. Forest Service approval. (If you are including any U.S. Forest Service land in your requested area this approval is needed.) N/A
5. (WATER ONLY) If the area requested is within an Active Management Area, attach a copy of the utility's Designation of an Assured Water Supply, or the developer's Certificate of Assured Water Supply issued by the Arizona Department of Water Resources, whichever applies.
 - If the area requested is outside an Active Management Area, attach the developer's Adequacy Statement issued by the Arizona Department of Water Resources, if applied for by the developer. Attachment #9
 - If the area requested is outside an Active Management Area and the developer does not obtain an Adequacy Statement, provide sufficient detail to prove that adequate water exists to provide water to the area requested.
6. Provide a copy of your estimated property taxes. This may be obtained by contacting the Arizona Department of Revenue, Division of Property Valuation and Equalization. You must provide them with a five (5) year projection of the original cost of the plant, depreciation expense, the location of the property and the school district. Attachment #10

T. Provide the following information:

1. Indicate the estimated number of customers, by class, to be served in each of the first five years of operation:

Residential:

First Year _____ Second Year _____ Third Year _____ Fourth Year _____

Fifth Year _____

Commercial:

First Year 1 Second Year 1 Third Year 1 Fourth Year 1

Fifth Year 1

Industrial:

First Year _____ Second Year _____ Third Year _____ Fourth Year _____

Fifth Year _____

Irrigation:

First Year _____ Second Year _____ Third Year _____ Fourth Year _____
Fifth Year _____

2. Indicate the projected annual water consumption or sewerage treatment, in gallons, for each of the customer classes for each of the first five years of operation:

Residential:

First Year _____ Second Year _____ Third Year _____ Fourth Year _____

Fifth Year _____

Commercial:

6,055,000 6,055,000 6,055,000
First Year / Second Year / Third Year / Fourth Year 6,055,000

Fifth Year 6,055,000

Industrial:

First Year _____ Second Year _____ Third Year _____ Fourth Year _____

Fifth Year _____

Irrigation:

First Year _____ Second Year _____ Third Year _____ Fourth Year _____

Fifth Year _____

3. Indicate the total estimated annual operating revenue for each of the first five years of operation:

Residential:

First Year _____ Second Year _____ Third Year _____

Fourth Year _____ Fifth Year _____

Commercial:

First Year 21,680 Second Year 21,680 Third Year 21,680

Fourth Year 21,680 Fifth Year 21,680

Industrial:

First Year _____ Second Year _____ Third Year _____

Fourth Year _____ Fifth Year _____

Irrigation:

First Year _____ Second Year _____ Third Year _____

Fourth Year _____ Fifth Year _____

4. Indicate the total estimated annual operating expenses for each of the first five years of operation:

Residential:

First Year _____ Second Year _____ Third Year _____

Fourth Year _____ Fifth Year _____

Commercial:

First Year 10,410 Second Year 10,410 Third Year 10,410

Fourth Year 10,410 Fifth Year 10,410

Industrial:

First Year _____ Second Year _____ Third Year _____

Fourth Year _____ Fifth Year _____

Irrigation:

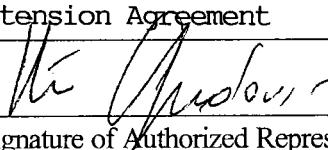
First Year _____ Second Year _____ Third Year _____

Fourth Year _____ Fifth Year _____

5. Attach an itemized list of the major components of the water or sewer system (see Attachment C-3). . See Exhibit "C" of Line Extension Agreement

6. Indicate the total estimated cost to construct utility facilities:

. See Exhibit "C" of Line Extension Agreement



(Signature of Authorized Representative)

Steve Gudovic

(Type or Print Name Here)

President

(Title)

SUBSCRIBED AND SWORN to before me this 15 day of May, 20 07





NOTARY PUBLIC

My Commission Expires March 26, 2010

WATER FACILITIES LINE EXTENSION AGREEMENT

THIS LINE EXTENSION AGREEMENT, (hereinafter referred to as the "Agreement") entered into this 12 day of April, 2007, by and between **LITTLE PARK WATER COMPANY** (hereinafter referred to as the "Company") and **VERDE VALLEY SCHOOL** (hereinafter referred to as the "Developer"), is for the construction of utility plant necessary to provide water utility service to **Verde Valley School**, Yavapai County, Arizona (hereinafter called the "Development").

WITNESSETH:

WHEREAS, Company owns and operates a public service corporation and holds a Certificate of Convenience and Necessity authorizing it to serve the public with water; and,

WHEREAS, Developer is developing property presently outside of the certificated area of the Company, which Development is more fully described in Exhibit "A" hereto and incorporated herein by reference for all purposes; and,

WHEREAS, Company does not presently own or operate a water distribution system able to serve the Development; and,

WHEREAS, under such circumstances the Commission's Rules and Regulations permit the Company to require an Advance in Aid of Construction and Arsenic Impact Hook-up Tariff to provide such facilities; and,

WHEREAS, Company agrees that Developer may design and construct said water facilities subject, however, to approval of such engineering design and water utility contractor by the Company.

NOW, THEREFORE, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. Developer shall design, construct and install or cause to be designed, constructed and installed, all water facilities necessary to provide adequate water service for domestic, fire and irrigation to the entire Development. Said water facilities are more fully described in Exhibit "B" hereto. Developer shall pay all of the costs of constructing, installing and connecting the water facilities, including, but not limited to, the costs of engineering, materials, labor, transportation, equipment, necessary permits and approvals, testing, correction, insurance and bonds. Developer's cost for the construction and installation of the water facilities shall be subject to refund pursuant to Paragraph 12 of this Agreement.
2. If requested by Company, Developer shall "oversize" the water facilities as specified by Company. Company shall reimburse Developer for the differential in material

ATTACHMENT B

prices of the oversized pipe and appurtenances, versus the material prices of the pipe and appurtenances as specified in Exhibit "C".

3. The water facilities for the Development will be designed and constructed with sufficient capacity to accommodate the water service requirements of the Development for domestic and irrigation purposes.
4. Developer agrees that the water facilities will be completed so as to enable Company to provide water service to the Development as such service is requested.
5. Developer anticipates that commencement of the construction of water facilities to accommodate the needs of the Development will be no later than twelve (12) months from the date of this Agreement is executed by the Developer and Company. Developer shall obtain all necessary governmental approvals of its Development within the twelve (12) month period.
6. Developer shall obtain all requisite permits, zoning and other approvals in advance of construction of the water facilities. All plans, specifications, construction and installation of the water facilities shall be in accordance with Company standards, latest revision, rules, regulations and requirements of the Arizona Department of Environmental Quality, Yavapai County Development Services Department and the requirements of all other governmental agencies having jurisdiction thereover. Additionally, all of said plans and specifications shall have the written approval of Company before construction is commenced. Approval by Company will not be unreasonably withheld or delayed.
7. Developer shall comply with the inspection and testing requirements of Company; said requirements shall be reasonable and shall not cause Developer unwarranted delays in the ordinary course of construction. Developer shall give Company adequate notice when the water facilities under construction are ready for inspection and testing. Company specifically reserves the right to withhold acceptance of the water facilities unless said facilities have been constructed in accordance with the approved plans and specifications and are satisfactory to Company upon inspection and testing. Developer agrees that it will promptly correct all defects and deficiencies in construction, materials and workmanship upon request by Company made subsequent to inspection by Company and for one year following Company's written final acceptance of the water facilities. Inspection or acceptance by Company shall in no way relieve or limit Developer's responsibility and liability for construction and installation of the water facilities in accordance with the terms of this Agreement.
8. The water facilities constructed pursuant to this Agreement shall become, upon installation, and remain the sole property of Company. However, Developer shall furnish any document pertaining to ownership and title as may be requested by Company including documents which evidence or confirm transfer of possession to Company, and good and merchantable title free and clean of liens, or which contain provisions for satisfaction of all liens or potential liens by Developer or its contractor. All risk of loss shall be with the Developer until written final acceptance is issued by the Company, of the water facilities. Developer shall repair or cause to be repaired, and at no cost to Company, all damage to the water facilities caused by the

construction operations until all construction in Development by or for Developer has been completed and Company has issued a written final acceptance. From the data of the final acceptance, Developer has one year maintenance period of the water facilities as outlined in this paragraph and paragraph 8 hereof. Developer acknowledges that Company has the right to, and may in the future connect its existing or future water systems to the water facilities.

9. Developer shall, at no cost to Company, grant or cause to be granted to Company perpetual rights-of-way and easements and obtain all necessary zoning and other governmental approvals, as required, in a form satisfactory to Company's counsel, for any water facilities to be constructed pursuant to this Agreement.
10. Developer shall, within thirty (30) days of Company's acceptance of the water facilities installation, furnish Company with: (a) copies of all bills, invoices and other statements of expenses incurred by Developer, covering all of the costs for engineering, surveying, materials, equipment, supplies, construction and installation of the water facilities; (b) lien waivers and releases from the project engineer; contractors, subcontractors and vendors for materials, equipment, supplies and construction included in the water facilities; (c) receipts, specifying exact amounts for payments in full by Developer to all contractors, subcontractors and vendors for all materials, equipment, supplies, labor and other costs of construction of the water facilities; (d) mylar "as constructed" drawings certified as to correctness by an engineer registered in the State of Arizona and showing the locations and respective sizes of all water facilities; and (e) "Certificate of Approval to Operate Water Facilities" issued by the Arizona Department of Environmental Quality/Yavapai County Development Services Department. Company reserves the right to withhold service to the Development until the aforementioned documentation is provided and validated by Company.
11. Company will provide water service to the Development in accordance with the rates, charges and conditions set forth in the tariffs of Company as filed with the Arizona Corporation Commission. Those rates are subject to change from time to time upon application of Company and approved by the Commission.
12. The cost of construction and installation of water facilities as evidenced by invoices furnished to Company pursuant to Paragraph 10 hereof, to the extent that facilities or cash have been actually advanced, are subject to refund by Company to Developer. Company shall make refunds annually to Developer on or before August 31, for the preceding July 1 through June 30 period. The amount to be refunded annually shall be ten percent (10%) of revenues (excluding all gross receipts, taxes or sales taxes and all District, Municipal, County, State or Federally imposed regulatory assessments) derived from the provision of water service to Development. Refunds shall be payable for a period of ten (10) years from the date of the advance but in no event shall the refunds paid to Developer exceed the total amounts paid by Developer for the portion of the Common Facilities and the water facilities as advances in-aid-of construction. Any balance remaining at the end of the ten (10) year period shall become non-refundable. No interest shall be paid on any amount advanced.

13. Prior to the commencement of construction of the water facilities, Developer shall furnish Company with appropriate certificates of insurance for coverage effective during the period of construction in the following types and amounts:
- a. Workers Compensation Insurance with statutory limits as required by the laws of the State of Arizona and Employer's Liability Insurance with a limit of not less than ONE MILLION DOLLARS (\$1,000,000).
 - b. Commercial General Liability Insurance including premises operations, completed operations, independent contractors and blanket contractual liability with limits of not less than TWO MILLION DOLLARS (\$2,000,000) combined single limit for bodily injury (including death) and property damage. When the work to be performed requires blasting, Developer shall cover that risk. Company shall be named as the insured, but only with respect to acts or omissions of Developer in connection with Developer's operations arising from this Agreement.
 - c. Commercial Business Automobile Liability Insurance with limits of ONE MILLION DOLLARS (\$1,000,000) combined single limit covering all owned and non-owned automobiles or trucks used in connection with the work. Company shall be named as an additional insured.
14. Company will endeavor to maintain satisfactory and continuous service, but does not guarantee continuous water service. Company shall not be liable for damages occasioned by interruptions or failure to commence service or unsatisfactory service, or any claim arising out of this Agreement caused by an act of God or the public enemy, accident, fire, explosions, strikes, riots, war, delay in receiving shipment of required materials, order of any court or judge granted in any legal proceedings or action, or any order of any commission or tribunal having jurisdiction in the premises; or without limitation by the preceding enumeration, any other act or thing reasonably beyond its control, or incident to interruptions necessary for repairs or changes in Company; production, storage, transmission or distribution facilities.
15. Developer hereby assumes the entire responsibility and liability for injury or death of any person, or loss or damage to any property contributed to or caused by the active or passive negligence of Developer, its agents, servants, employees, contractors or subcontractors in the execution of the work or in connection therewith. Accordingly, Developer will indemnify and hold harmless Company, its officers, directors, agents and employees from and against claims or expenses, including penalties and assessments and attorneys fees to which they or any of them may be subjected by reason of such injury, death, loss, claim, penalty, assessment or damage, and in case any suit or other proceeding shall be brought on account thereof, Developer will assume the defense at Developer's own expense and will pay all judgments rendered therein.
16. The failure of either party hereto to enforce any of the provisions of the Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provision but the same shall, nevertheless, be and remain in full force and effect.

17. Communications hereunder shall be sent to Developer, addressed as follows:

Dan Williams, Business Manager
Verde Valley School
3511 Verde Valley School Road
Sedona, AZ 86351
Telephone: 928-284-2272

or to such other address or addresses as Developer may advise Company in writing, and to Company at:

Steve Gudovic, President
Little Park Water Company
45 Castle Rock Road, Suite 4
Sedona, AZ 86351
Telephone: 928/284-1133

or to such other address or addresses as Company may advise Developer in writing.

18. It is agreed that Company is not an agent for Developer and shall not incur any costs or expenses on behalf of Developer and that Developer is not an agent for Company and shall not incur any costs or expenses on behalf of Company.
19. This Agreement shall be governed by the laws of the State of Arizona and shall be subject to such approvals of regulatory agencies as may be required under the laws of said State.
20. This Agreement represents the entire understanding between the parties with respect to the subject matter herein and those which are reasonably related; there are no oral or collateral agreements with respect thereto between the parties. All changes or amendments to this Agreement must be in writing and signed by the parties hereto.
21. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representative, successors and assigns. However, Developer shall not assign its rights, obligations and interest in this Agreement without the prior written consent of Company, and any attempted assignment without such consent shall be void and of no effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate originals, as of the date and year first above written.

LITTLE PARK WATER COMPANY


By


Steve Gudovic

Title: President

VERDE VALLEY SCHOOL

By



Title: Business Manager

Exhibit A

Water Facilities Line Extension Agreement
Between
LITTLE PARK WATER COMPANY
and
VERDE VALLEY SCHOOL

Dated: 4/12 2007

Legal Description

See attached

EXHIBIT

OF VERDE VALLEY SCHOOL, 3511
VERDE VALLEY SCHOOL ROAD,
YAVAPAI COUNTY, ARIZONA

POINT OF BEGINNING
RESIDENTIAL PARCEL

POINT OF BEGINNING
SCHOOL PARCEL

SCHOOL
PARCEL
72.769 ACRES

RESIDENTIAL
PARCEL
78.790 ACRES

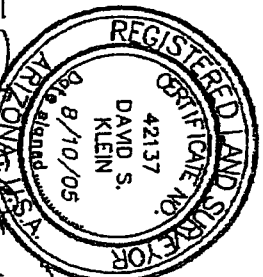
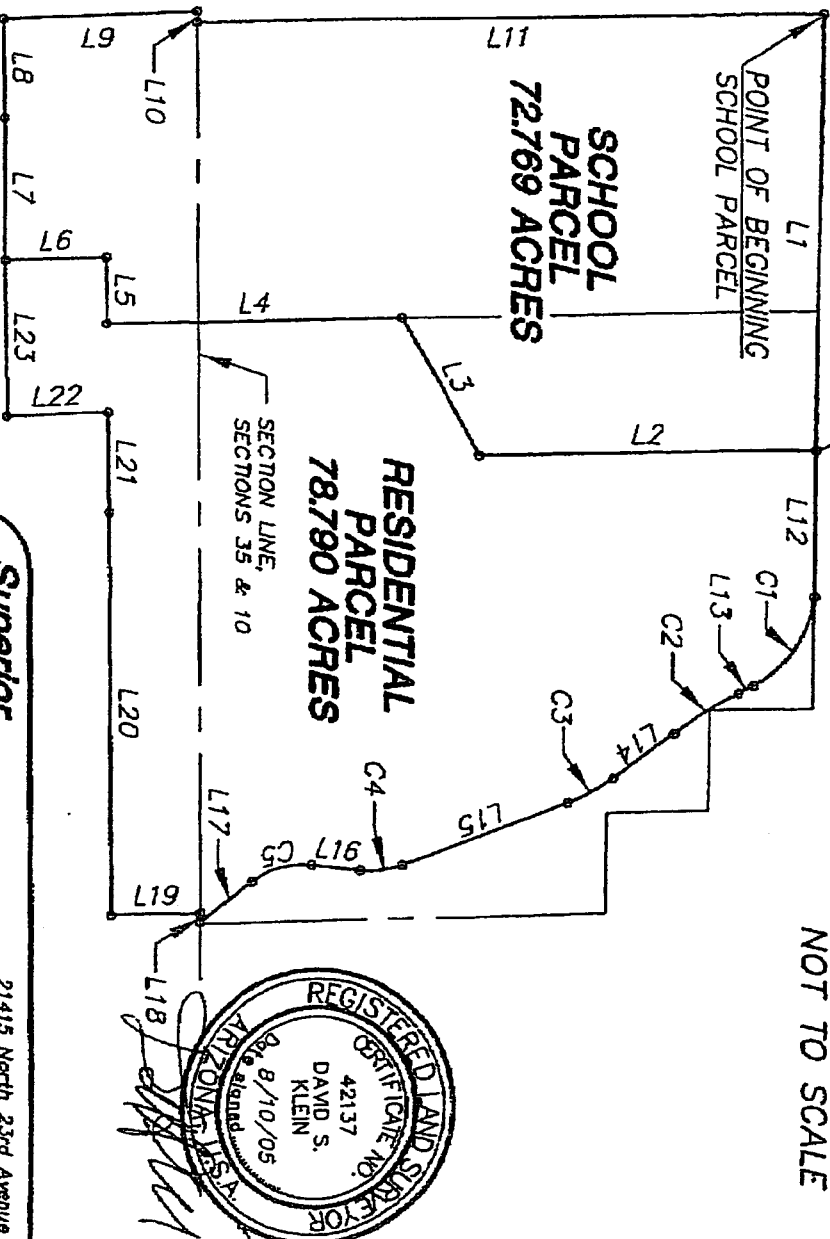
SECTION LINE,
SECTIONS 35 & 10

NOT TO SCALE



LINE TABLE		
LINE	BEARINGS	LENGTH
L1	S 89°02'05" E	1439.52'
L2	S 00°31'17" W	1107.77'
L3	S 61°30'14" W	524.32'
L4	S 00°31'17" W	978.04'
L5	S 89°48'13" W	217.28'
L6	S 00°31'17" W	330.67'
L7	S 89°47'38" W	472.43'
L8	S 89°48'06" W	330.34'
L9	N 00°12'34" W	637.14'
L10	N 89°56'45" E	33.58'
L11	N 00°53'55" E	2057.45'
L12	S 89°02'05" E	477.24'
L13	S 23°44'59" E	6.36'
L14	S 35°02'39" E	244.68'
L15	S 19°28'44" E	570.56'
L16	S 07°17'26" W	169.75'
L17	S 36°07'39" E	217.00'
L18	S 89°58'04" W	28.72'
L19	S 00°08'18" E	298.94'
L20	S 89°49'54" W	1319.45'
L21	S 89°48'13" W	329.86'
L22	S 00°12'21" E	330.55'
L23	S 89°47'38" W	516.92'

CURVE TABLE			
CURVE	RADIUS	DELTA	LENGTH
C1	368.30'	60°38'34"	389.81'
C2	1382.40'	11°17'40"	272.51'
C3	622.96'	15°33'55"	169.24'
C4	299.11'	26°46'10"	139.75'
C5	268.31'	43°25'05"	203.32'



NOTE: THIS EXHIBIT IS INTENDED TO
ACCOMPANY A DESCRIPTION, IT
IS NOT A SURVEY AND SHOULD
NOT BE CONSTRUED AS SUCH.

**Superior
Surveying
Services, Inc.**

21415 North 23rd Avenue
Phoenix, Arizona 85027
Phone (602) 869-0223
Fax (602) 869-0726

PROFESSIONAL LAND SURVEYING - ARIZONA, CALIFORNIA, NEVADA
ARIZONA NO. 18214 - CALIFORNIA NO. 16080 - NEVADA NO. 7880

DATE: 8/10/05

REVISED:

JOB NO.: 260709

**Superior
Surveying
Services, Inc.**

PROFESSIONAL LAND SURVEYING IN ARIZONA

Randy S. Delbridge, President

21415 North 23rd Avenue
Phoenix, Arizona 85027
(623) 869-0223 Fax (623) 869-0726

Member A.C.S.M., A.P.L.S., G.L.L.S.

Job Number: 250709

August 10, 2005

**DESCRIPTION OF SCHOOL PARCEL FOR VERDE VALLEY SCHOOL,
3511 VERDE VALLEY SCHOOL ROAD, YAVAPAI COUNTY, ARIZONA**

A portion of the South half of Section 35, Township 17 North, Range 5 East and a portion of the North half of Section 10, Township 16 North, Range 5 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, being more particularly described as follows:

BEGINNING at a USDAFS Aluminum Cap set in concrete marking the Northwest corner of the Northeast quarter of the Southwest quarter of the Northeast quarter of the Southwest quarter of said Section 35 from which a USDAFS Aluminum Cap marking the Southwest corner of the Southeast quarter of the Southwest quarter of the Southeast quarter of the Southwest quarter of said Section 35 bears South 00 degrees 53 minutes 55 seconds West 2057.45 feet said line being the basis of bearings for this description;
THENCE South 89 degrees 02 minutes 05 seconds East 1439.52 feet;
THENCE South 00 degrees 31 minutes 17 seconds West 1107.77 feet;
THENCE South 61 degrees 30 minutes 14 seconds West 524.32 feet to the North-South Mid-Section line of said Section 35;
THENCE South 00 degrees 31 minutes 17 seconds West 978.04 feet along said North-South Mid-Section line and its Southerly extension to the South line of GLO Lot 6 of said Section 10;
THENCE South 89 degrees 48 minutes 13 seconds West 217.28 feet along said South line;
THENCE South 00 degrees 31 minutes 17 seconds West 330.67 feet;
THENCE South 89 degrees 47 minutes 38 seconds West 472.43 feet;
THENCE South 89 degrees 48 minutes 06 seconds West 330.34 feet;
THENCE North 00 degrees 12 minutes 34 seconds West 637.14 feet to the Northeast corner of GLO Lot 7 of said Section 10;
THENCE North 89 degrees 56 minutes 45 seconds East 33.58 feet along the North line of said GLO Lot 7 to a USDAFS Aluminum Cap marking the Southwest corner of the Southeast quarter of the Southwest quarter of the Southeast quarter of the Southwest quarter of said Section 35;
THENCE North 00 degrees 53 minutes 55 seconds East 2057.45 feet to the POINT OF BEGINNING.

COMPRISING 72.769 acres or 3,169,833 square feet more or less, subject to all easements of record.



**Superior
Surveying
Services, Inc.**

PROFESSIONAL LAND SURVEYING IN ARIZONA

Randy S. Delbridge, President

21415 North 23rd Avenue
Phoenix, Arizona 85027
(623) 869-0223 Fax (623) 869-0726

Member A.C.S.M., A.P.L.S., G.L.I.S.

Job Number: 250709

Page 1 of 2
August 10, 2005

**DESCRIPTION OF RESIDENTIAL PARCEL AT VERDE VALLEY SCHOOL,
3511 VERDE VALLEY SCHOOL ROAD, YAVAPAI COUNTY, ARIZONA**

A portion of the South half of Section 35, Township 17 North, Range 5 East and a portion of the North half of Section 10, Township 16 North, Range 5 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, being more particularly described as follows:

COMMENCING at a USDAFS Aluminum Cap set in concrete marking the Northwest corner of the Northeast quarter of the Southwest quarter of the Southwest quarter of said Section 35 from which a USDAFS Aluminum Cap marking the Southwest corner of the Southeast quarter of the Southwest quarter of the Southeast quarter of the Southwest quarter of said Section 35 bears South 00 degrees 53 minutes 55 seconds West 2057.45 feet said line being the basis of bearings for this description;

THENCE South 89 degrees 02 minutes 05 seconds East 1439.52 feet to the POINT OF BEGINNING;

THENCE continuing South 89 degrees 02 minutes 05 seconds East 477.24 feet to the beginning of a non-tangent curve to the right the center of which bears South 05 degrees 36 minutes 30 seconds West 368.30 feet;

THENCE along the arc of said non-tangent curve to the left through a central angle of 60 degrees 38 minutes 34 seconds, an arc distance of 389.81 feet;

THENCE South 23 degrees 44 minutes 59 seconds East 6.36 feet to the beginning of a tangent curve to the right having a radius of 1382.40 feet;

THENCE along the arc of said curve through a central angle of 11 degrees 17 minutes 40 seconds, an arc distance of 272.51 feet;

THENCE South 35 degrees 02 minutes 39 seconds East 244.68 feet to the beginning of a tangent curve to the right having a radius of 622.96 feet;

THENCE along the arc of said curve through a central angle of 15 degrees 33 minutes 55 seconds, an arc distance of 169.24 feet;

THENCE South 19 degrees 28 minutes 44 seconds East 570.56 feet to the beginning of a tangent curve to the left having a radius of 299.11 feet;

THENCE along the arc of said curve through a central angle of 26 degrees 46 minutes 10 seconds, an arc distance of 139.75 feet;

THENCE South 07 degrees 17 minutes 26 seconds West 169.75 feet to the beginning of a tangent curve to the right having a radius of 268.31 feet;

THENCE along the arc of said curve through a central angle of 43 degrees 25 minutes 05 seconds, an arc distance of 203.32 feet;



**Superior
Surveying
Services, Inc.**

PROFESSIONAL LAND SURVEYING IN ARIZONA

Randy S. Delbridge, President

21415 North 23rd Avenue
Phoenix, Arizona 85027
(623) 869-0223 Fax (623) 869-0726

Member A.C.S.M., A.P.L.S., G.L.I.S.

Page 2 of 2
August 10, 2005

Job Number: 250709

**DESCRIPTION OF RESIDENTIAL PARCEL AT VERDE VALLEY SCHOOL,
3511 VERDE VALLEY SCHOOL ROAD, YAVAPAI COUNTY, ARIZONA**

THENCE South 36 degrees 07 minutes 39 seconds East 217.00 feet to the South line of the Southeast quarter of said Section 35;
THENCE South 89 degrees 58 minutes 04 seconds West 28.72 feet along said South line;
THENCE South 00 degrees 08 minutes 18 seconds East 298.94 feet to the Southeast corner of GLO Lot 5 of said Section 10;
THENCE South 89 degrees 49 minutes 54 seconds West 1319.45 feet along the South line of said Lot 5 to the Southeast corner of GLO Lot 6 of said Section 10;
THENCE South 89 degrees 48 minutes 13 seconds West 329.86 feet along the South line of said Lot 6;
THENCE South 00 degrees 12 minutes 21 seconds East 330.55 feet;
THENCE South 89 degrees 47 minutes 38 seconds West 516.92 feet;
THENCE North 00 degrees 31 minutes 17 seconds East 330.67 feet;
THENCE North 89 degrees 48 minutes 13 seconds East 217.28 feet to the Southerly extension of the North-South Mid-Section line of said Section 35;
THENCE North 00 degrees 31 minutes 17 seconds East 978.04 feet along said Mid-Section line;
THENCE North 61 degrees 30 minutes 14 seconds East 524.32 feet;
THENCE North 00 degrees 31 minutes 17 seconds East 1107.77 feet to the POINT OF BEGINNING.

COMPRISING 78.790 acres or 3,432,075 square feet more or less, subject to all easements of record.



Exhibit B

**Water Facilities Line Extension Agreement
Between
LITTLE PARK WATER COMPANY
and
VERDE VALLEY SCHOOL**

Dated: 2/1/2 2007

See Attached

Exhibit C

Water Facilities Line Extension Agreement
Between
LITTLE PARK WATER COMPANY
and
VERDE VALLEY SCHOOL

Dated: 4/12 2007

ENGINEERING ESTIMATE OF COST

A. Refundable Advances in Aid-of-Construction

<u>Item</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Total</u>
1	Service Line	2 each	\$ 1,500	\$ 3,000
2	2" Blow-Off	2 each	1,500	3,000
3	8" Water Main PVC – CL 200	3,307 L.F.	72	238,104
4	8" Gate Valve	5 each	950	4,750
5	Air Release Valve	1 each	3,650	3,650
6	Engineering and Surveying	L.S.	25,000	<u>25,000</u>
Sub-Total				\$ 277,504

B. Contribution in Aid-of-Construction

7	Fire Hydrants	5 each	4,250	21,250
8	Arsenic Impact Hook-Up Fee (4" Meter)	2 each	33,000	66,000
9	Engineering and Surveying	L.S.	2,000	<u>2,000</u>
Sub-Total				\$ 89,250

TOTAL ESTIMATED COST \$366,754

Little Park Water Company

45 Castle Rock Road #4
Sedona, AZ 86351
Tel. 928/284-1133 Fax 928/284-1974

May 16, 2007

Mr. Dan Williams
Business Manager
Verde Valley School
3511 Verde Valley School Road
Sedona, AZ 86351

**Re: Public Notice of an Application for a
Certificate of Convenience and Necessity (CCN)
By Little Park Water Company**

Dear Dan:

Little Park Water Company has filed with the Arizona Corporation Commission ("Commission") an application for authority to provide water service to an area in which records indicate that you are a property owner. If the application is granted, Little Park Water Company would be the exclusive provider of water service in the proposed area. Little Park Water Company will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not be necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission at 1200 West Washington Street, Phoenix, AZ and at Little Park Water Company, 45 Castle Rock Road, Sedona, AZ.

The Commission will hold a hearing on this matter. As a property owner you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application, have any objections to its approval or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, AZ 85007 or call 1-800-535-0148.

Sincerely,



Steve Gudovic, P.E.

President
Little Park Water Company

ATTACHMENT D

MEMORANDUM

A-2

TO: Linda Jaress
Executive Consultant III
Utilities Division

FROM: Barb Wells
Information Technology Specialist
Utilities Division

THRU: Del Smith
Engineering Supervisor
Utilities Division

DATE: August 6, 2007

RE: **LITTLE PARK WATER COMPANY (DOCKET NO. W-02192A-07-0326)**
REVISED LEGAL DESCRIPTION

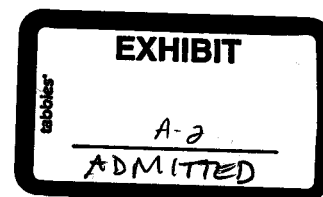
The area requested by Little Park for an extension of water service has been plotted with no complications using a revised legal description, which was docketed on July 30, 2007. This legal description is attached and should be used in place of the original description submitted with the application.

Also attached are copies of the maps for your files.

:bsw

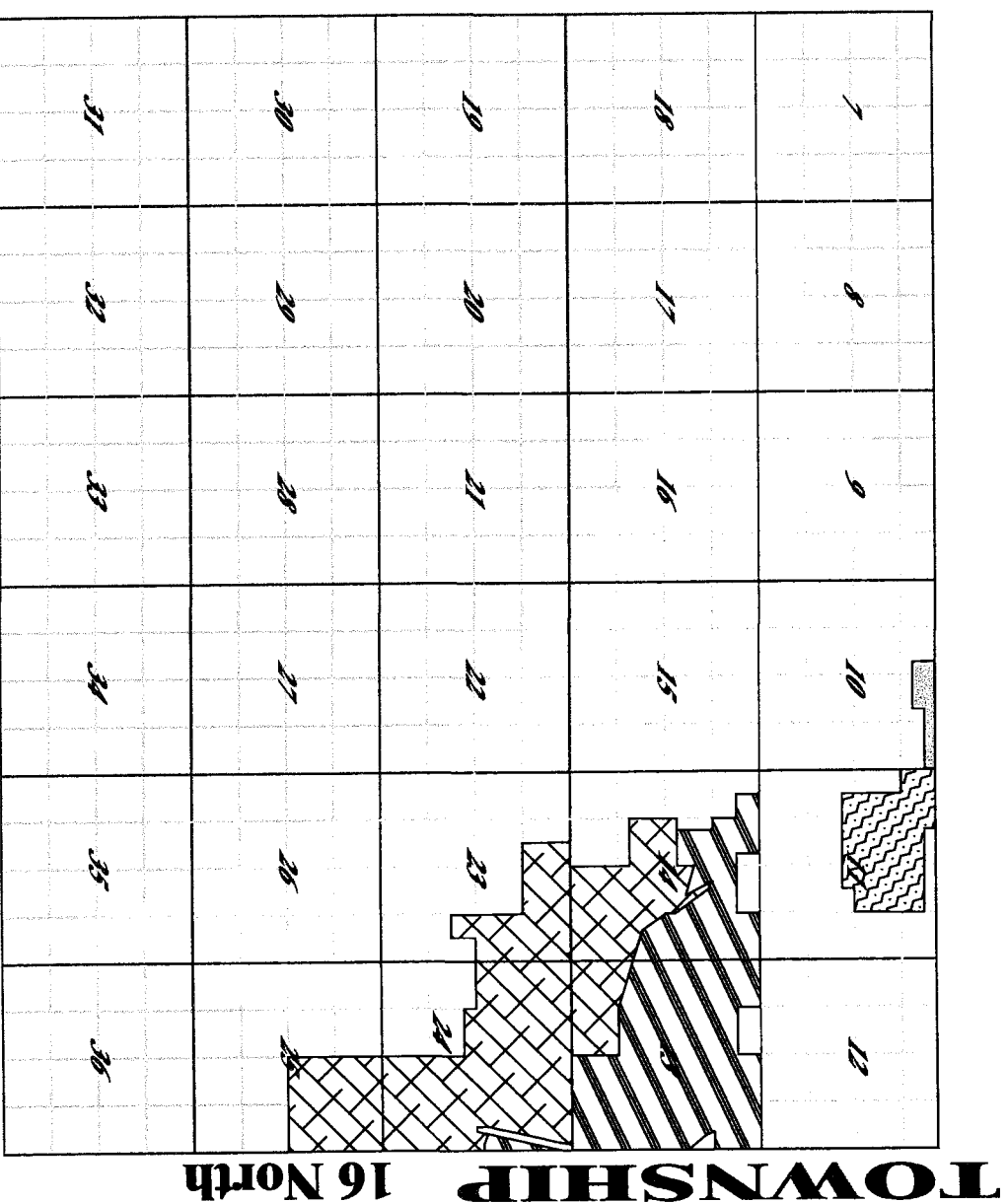
Attachments

cc: Mr. Richard Sallquist
Ms. Deb Person (Hand Carried)
File



COUNTY: Yavapai

RANGE 5 East



TOWNSHIP 16 North



W-1445 (5)(3)

Arizona Water Company (Sedona)



W-1624 (2)

Big Park Water Company



W-2192 (2)

Little Park Water Company, Inc.



(2)

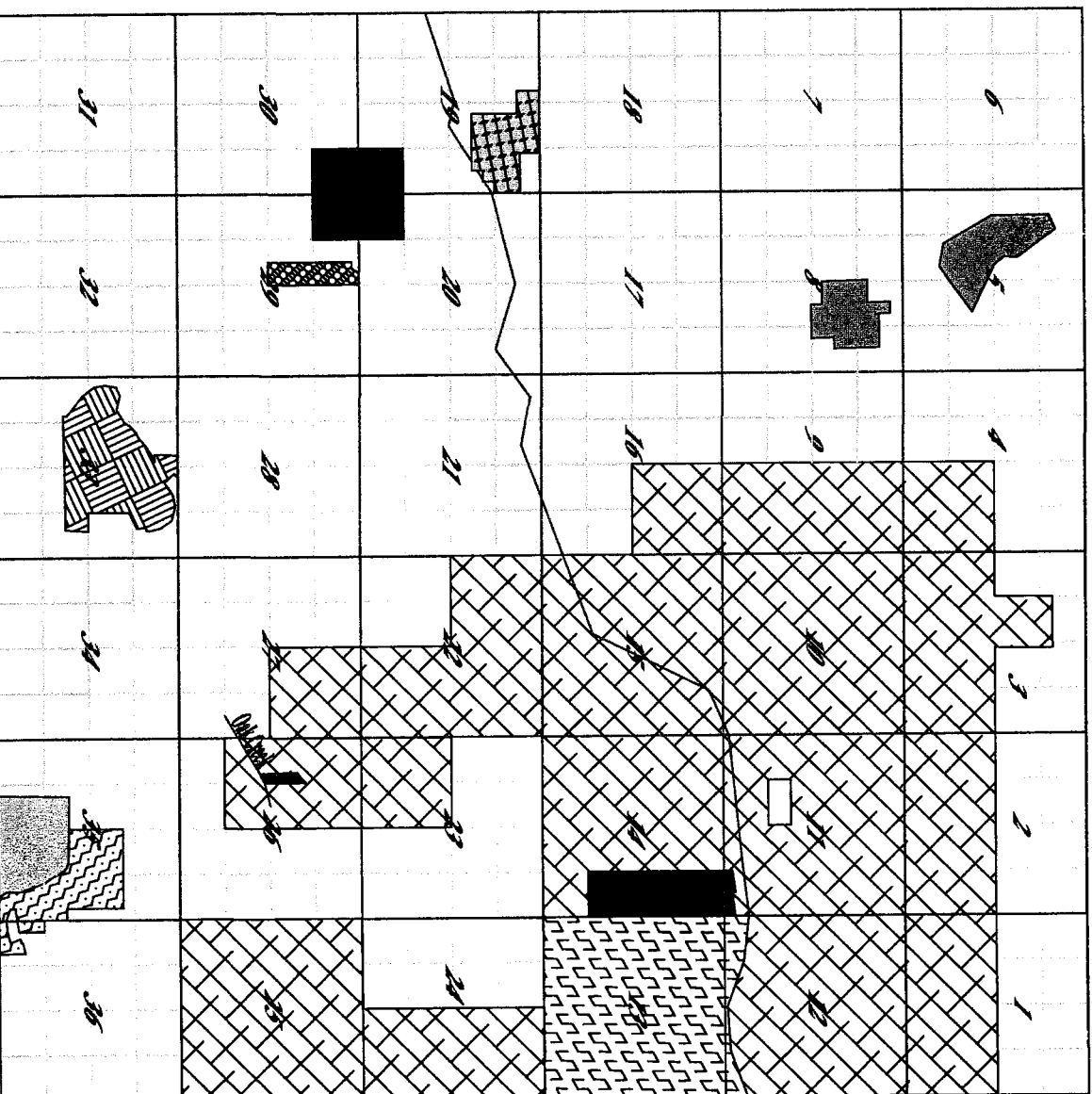
Little Park Water Company

Docket No. W-02192A-07-0326






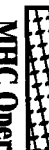






Application for Extension

COCONINO COUNTY, YAVAPAI

RANGE 5 East

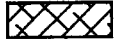




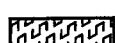
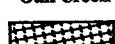








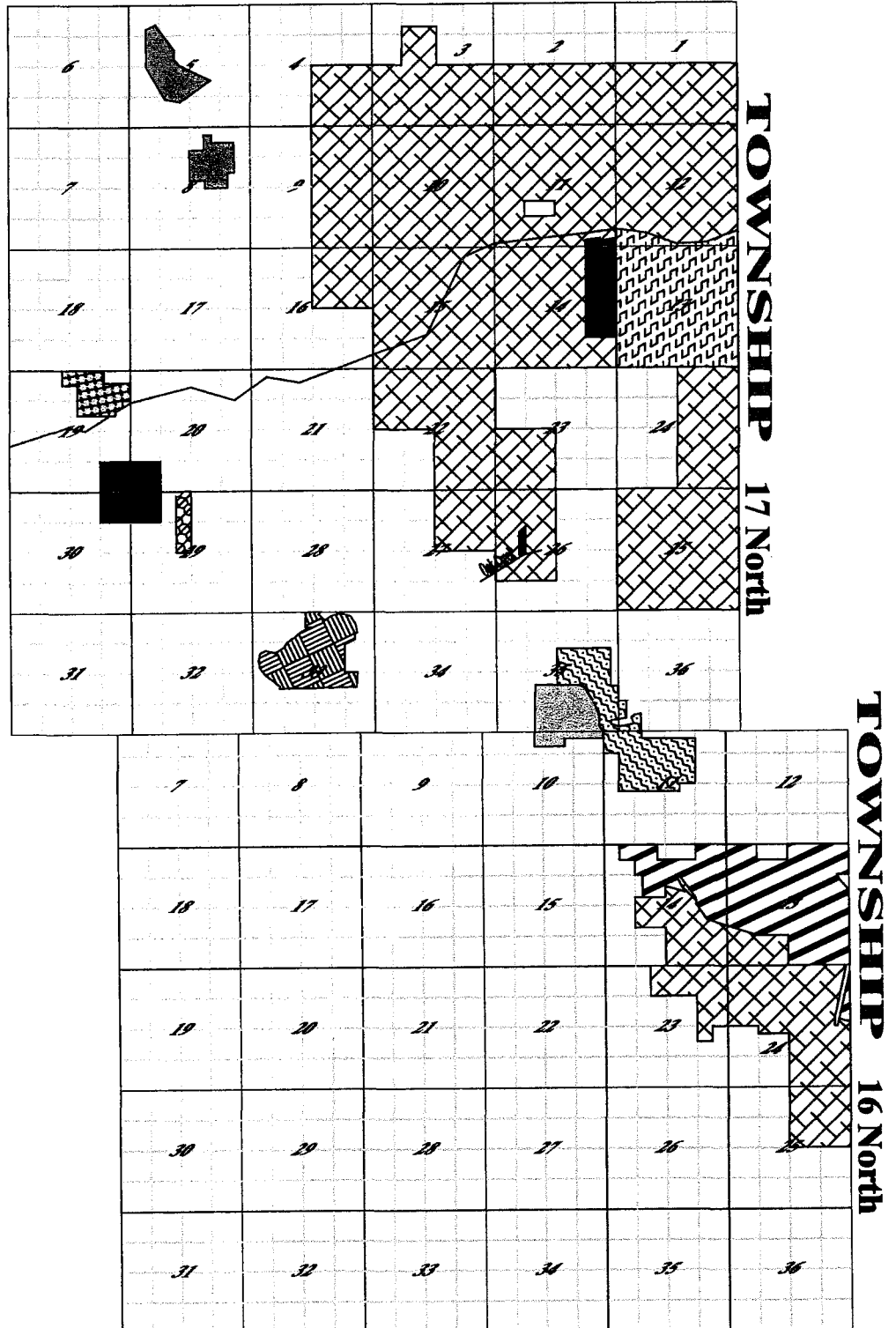
TOWNSHIP 17 North

-  W-1445 (5)(3)
Arizona Water Company (Sedona)
-  W-4131 (1)
Cross Creek Ranch Water Company
-  W-2192 (2)
Little Park Water Company
-  W-2624 (1)
Michaels Ranch Water Users' Assoc.
-  W-1392 (1)
Oak Creek Water Company No. 1
-  WS-3449 (1)  Sewer
MHC Operating Limited Partnership
dba Sedona Venture Water & Sewer Company
-  W-4291 (1)
Aerie Conservancy
Adjudicated 'Not a Public Service Corporation'
-  (1)
City of Sedona (Nonjurisdictional)
-  (1)
Red Rock Crossing Mobile Village, Inc.
(Nonjurisdictional)
-  (1)
Red Rock Water Cooperative, Inc.
Adjudicated 'Not a Public Service Corporation'
-  (2)
Little Park Water Company
Docket No. W-02192A-07-0326
Application for Extension

COUNTY: *Yavapai*

RANGE 5 East

-  W-1445 (5)(3)
Arizona Water Company (Sedona)
-  W-1624 (2)
Big Park Water Company
-  W-4131 (1)
Cross Creek Ranch Water Company
-  W-2192 (2)
Little Park Water Company
-  W-2624 (1)
Michaels Ranch Water Users' Assoc.
-  W-1392 (1)
Oak Creek Water Company No. 1
-  WS-3449 (1)  Sewer
MHC Operating Limited Partnership
dba Sedona Venture Water & Sewer Company
-  W-4291 (1)
Aerie Conservancy
Adjudicated 'Not a Public Service Corporation'
-  (1)
City of Sedona (Nonjurisdictional)
-  (1)
Red Rock Crossing Mobile Village, Inc.
(Nonjurisdictional)
-  (1)
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Adjudicated 'Not a Public Service Corporation'
-  (2)
Little Park Water Company
Docket No. W-02192A-07-0326
Application for Extension



**Superior
Surveying
Services, Inc.**

PROFESSIONAL LAND SURVEYING IN ARIZONA

Randy S. Delbridge, President

21415 North 23rd Avenue
Phoenix, Arizona 85027
(623) 869-0223 Fax (623) 869-0726

Member A.C.S.M., A.P.L.S., G.L.I.S.

Job Number: 250709

Page 1 of 2
August 10, 2005
Revised: July 25, 2007

**DESCRIPTION OF RESIDENTIAL PARCEL AT VERDE VALLEY SCHOOL,
3511 VERDE VALLEY SCHOOL ROAD, YAVAPAI COUNTY, ARIZONA**

A portion of the South half of Section 35, Township 17 North, Range 5 East and a portion of the North half of Section 10, Township 16 North, Range 5 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, being more particularly described as follows:

COMMENCING at a USDAFS Aluminum Cap set in concrete marking the Northwest corner of the Northeast quarter of the Southwest quarter of the Southwest quarter of said Section 35 from which a USDAFS Aluminum Cap marking the Southwest corner of the Southeast quarter of the Southwest quarter of the Southeast quarter of the Southwest quarter of said Section 35 bears South 00 degrees 53 minutes 55 seconds West 2057.45 feet said line being the basis of bearings for this description;

THENCE South 89 degrees 02 minutes 05 seconds East 1439.52 feet to the POINT OF BEGINNING;

THENCE continuing South 89 degrees 02 minutes 05 seconds East 477.24 feet to the beginning of a non-tangent curve to the right the center of which bears South 05 degrees 36 minutes 30 seconds West 368.30 feet;

THENCE along the arc of said non-tangent curve to the left through a central angle of 60 degrees 38 minutes 34 seconds, an arc distance of 389.81 feet;

THENCE South 23 degrees 44 minutes 59 seconds East 6.36 feet to the beginning of a tangent curve to the left having a radius of 1382.40 feet;

THENCE along the arc of said curve through a central angle of 11 degrees 17 minutes 40 seconds, an arc distance of 272.51 feet;

THENCE South 35 degrees 02 minutes 39 seconds East 244.68 feet to the beginning of a tangent curve to the right having a radius of 622.96 feet;

THENCE along the arc of said curve through a central angle of 15 degrees 33 minutes 55 seconds, an arc distance of 169.24 feet;

THENCE South 19 degrees 28 minutes 44 seconds East 570.56 feet to the beginning of a tangent curve to the right having a radius of 299.11 feet;

THENCE along the arc of said curve through a central angle of 26 degrees 46 minutes 10 seconds, an arc distance of 139.75 feet;

THENCE South 07 degrees 17 minutes 26 seconds West 169.75 feet to the beginning of a tangent curve to the left having a radius of 268.31 feet;

THENCE along the arc of said curve through a central angle of 43 degrees 25 minutes 05 seconds, an arc distance of 203.32 feet;



Revised Attachment 4 to Attachment A

**Superior
Surveying
Services, Inc.**

PROFESSIONAL LAND SURVEYING IN ARIZONA

Randy S. Delbridge, President

21415 North 23rd Avenue
Phoenix, Arizona 85027
(623) 869-0223 Fax (623) 869-0726

Member A.C.S.M., A.P.L.S., G.L.I.S.

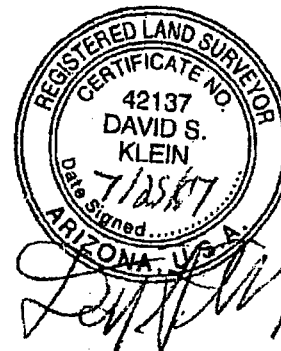
Job Number: 250709

Page 2 of 2
August 10, 2005
Revised: July 25, 2007

DESCRIPTION OF RESIDENTIAL PARCEL AT VERDE VALLEY SCHOOL,
3511 VERDE VALLEY SCHOOL ROAD, YAVAPAI COUNTY, ARIZONA

THENCE South 36 degrees 07 minutes 39 seconds East 217.00 feet to the South line of the Southeast quarter of said Section 35;
THENCE South 89 degrees 58 minutes 04 seconds West 28.72 feet along said South line;
THENCE South 00 degrees 08 minutes 18 seconds East 298.94 feet to the Southeast corner of GLO Lot 5 of said Section 10;
THENCE South 89 degrees 49 minutes 54 seconds West 1319.45 feet along the South line of said Lot 5 to the Southeast corner of GLO Lot 6 of said Section 10;
THENCE South 89 degrees 48 minutes 13 seconds West 329.86 feet along the South line of said Lot 6;
THENCE South 00 degrees 12 minutes 21 seconds East 330.55 feet;
THENCE South 89 degrees 47 minutes 38 seconds West 516.92 feet;
THENCE North 00 degrees 31 minutes 17 seconds East 330.67 feet;
THENCE North 89 degrees 48 minutes 13 seconds East 217.28 feet to the Southerly extension of the North-South Mid-Section line of said Section 35;
THENCE North 00 degrees 31 minutes 17 seconds East 978.04 feet along said Mid-Section line;
THENCE North 61 degrees 30 minutes 14 seconds East 524.32 feet;
THENCE North 00 degrees 31 minutes 17 seconds East 1107.77 feet to the POINT OF BEGINNING.

COMPRISING 78.790 acres or 3,432,075 square feet more or less, subject to all easements of record.



A-3

SALLQUIST, DRUMMOND & O'CONNOR, P.C.

ATTORNEYS AT LAW
TEMPE OFFICE
4500 S. LAKESHORE DRIVE
SUITE 339
TEMPE, ARIZONA 85282

RICHARD L. SALLQUIST

PHONE (602) 224-9222
FACSIMILE (480) 345-0412
E-MAIL dick@sd-law.com

October 12, 2007

Shauna Lee-Rice
Arizona Corporation Commission
Docket Control
1200 West Washington Street
Phoenix, Arizona 85007

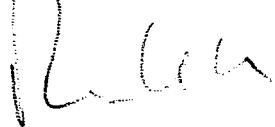
Re: Little Park Water Company; Docket No. W-02192A-07-0326; Compliance Filing

Dear Ms. Lee-Rice:

Enclosed please find fifteen (15) copies of the Affidavit of Mailing and Publication as required by the Amended Procedural Order in the Subject Docket dated September 5, 2007.

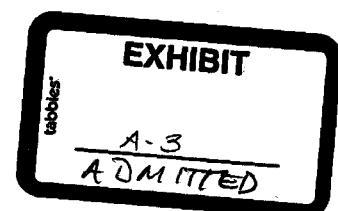
In the event you have any request is regarding this matter, please do not hesitate to contact the undersigned.

Sincerely,



Richard L. Sallquist

Cc: Hearing Division
Legal Division
Utilities Division
Steve Gudovic



1 Richard L. Sallquist
Sallquist, Drummond & O'Connor, P.C.
2 4500 S. Lakeshore Drive
Suite 339
3 Tempe, Arizona 85282
Phone: (480) 839-5202
4 Fax: (480) 345-0412

5
6 **BEFORE THE ARIZONA CORPORATION COMMISSION**

7 IN THE MATTER OF THE APPLICATION)
OF LITTLE PARK WATER COMPANY)
8 INC. FOR AN EXTENSION OF ITS)
CERTIFICATE OF CONVENIENCE AND)
9 NECESSITY TO PROVIDE WATER)
SERVICE IN YAVAPAI COUNTY,)
10 ARIZONA)

DOCKET NO. W-02192A-07-0326

**AFFIDAVIT OF MAILING
AND
PUBLICATION**

11 STATE OF ARIZONA)
12)ss
County of Yavapai)

- 13
- 14 1. I am Stevan S. Gudovic, President of Little Park Water Company, Inc. My business
address is 45 Castle Rock Road, Suite 4, Sedona, Arizona 86336.
- 15
- 16 2. On October 12, 2007, I caused the Notice in the form attached hereto as Attachment 1
and incorporated herein by reference for all purposes, to be mailed by first class mail,
17 postage prepaid, to all customers of record as of October 12, 2007.
- 18
- 19 3. Attached hereto is the Affidavit of Publication provided by a newspaper of general
circulation within the proposed service area in accordance with the Procedural Order
20 in this matter.
- 21
- 22 4. Further affiant sayeth naught.

1 DATED this 12th day of October, 2007.

2 LITTLE PARK WATER COMPANY, INC.

3
4 By: Stevan S. Gudovic

Stevan S. Gudovic, President

5 The foregoing instrument was acknowledged before me this 12th day of October, 2007,
6 by Stevan Gudovic.



9 My Commission Expires:

10 March 26, 2010

11
12
13
14
15
16
17
18
19
20
21
22
23

Mary Lynn Gudovic
Notary Public

1 Original and fifteen copies of the
2 foregoing filed this 12th day
3 of October, 2007:

4 Docket Control
5 Arizona Corporation Commission
6 1200 West Washington
7 Phoenix, Arizona 85007

8 A copy of the foregoing
9 mailed/hand delivered this
10 12th day of October, 2007, to:

11 Hearing Division
12 Arizona Corporation Commission
13 1200 West Washington
14 Phoenix, Arizona 85007

15 Legal Division
16 Arizona Corporation Commission
17 1200 West Washington
18 Phoenix, Arizona 85007

19 Utilities Division
20 Arizona Corporation Commission
21 1200 West Washington
22 Phoenix, Arizona 85007

23 

AFFIDAVIT OF PUBLICATION**PUBLIC NOTICES**

PUBLIC NOTICE OF HEARING ON THE APPLICATION OF LITTLE PARK WATER COMPANY INC., FOR AN EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE WATER SERVICE IN YAVAPAI COUNTY, ARIZONA (DOCKET NUMBER W-02192A-07-0326)

On May 24, 2007, Little Park Water Company ("LPWC") filed with the Arizona Corporation Commission ("Commission") an application or an extension of its Certificate of Convenience and Necessity ("CC&N") to provide water service in Yavapai County, Arizona. The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding LPWC's application, and the Commission is not bound by the proposals made by LPWC, Staff, or any intervenors. The Commission will issue a decision regarding LPWC's application following consideration of testimony and evidence presented at an evidentiary

PUBLIC NOTICES

hearing. Copies of the application are available at LPWC's offices (45 Castle Rock Road, Suite 4, Sedona, AZ) and the Commission's offices at 1200 West Washington, Phoenix, AZ, for public inspection during regular business hours and on the Internet via the Commission website (www.azcc.gov) using the e-docket function.

The Commission will hold a hearing on this matter beginning November 7, and 10:00 a.m., at the Commission's offices, 1200 West Washington, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted via email (visit <http://www.azcc.gov/utility/cons/index.htm> for instructions), or by mailing a letter referencing Docket Number W-02192A-07-0326 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you would like to intervene, you must file a written motion to intervene with the Commission, and you must send copies of the motion to the Company or its counsel, and to all parties of record in the case. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom documents are to be served in your place, if desired.
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.).
3. A statement certifying that a copy of your motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C.R.14-3-105, except that all motions to intervene must be filed on or before October 15, 2007. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross examine other witnesses. However, failure to intervene will not preclude any person or entity from appearing at the hearing and making a statement on their own behalf.

If you have any question about this application, you may contact LPWC at 928-284-2298. If you wish to file written comments on the application or want further information on intervention you may contact the Consumer Services Section of the Commission at 1200 West Washington, Phoenix, AZ 85007, or call 1-800-222-7000.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Person with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Linda Hogan, E-mail Lhogan@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

Publish: Sept. 19, 2007.

STATE OF ARIZONA)
) ss.
COUNTY OF YAVAPAI)

I, ROBERT B. LARSON, Publisher of the
SEDONA RED ROCK NEWS,

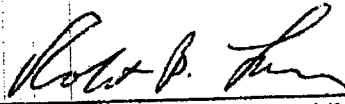
a newspaper of general circulation, printed and published in the County of Yavapai, State of Arizona, do solemnly swear that a copy of the attached notice, in the matter of

Notice of Hearing

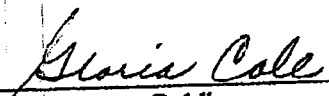
Little Park Water Company Inc

as per clipping attached, was published in the regular and entire section of said newspaper, and not in any supplement thereof, on the following schedule:

September 19, 2007.


ROBERT B. LARSON, Publisher

Subscribed and sworn to before me this
18 day of September, 2007.


Notary Public



Little Park Water Company

45 Castle Rock Road #4

Sedona, AZ 86351

Tel. 928/284-1133 Fax 928/284-1974

October 12, 2007

Mr. Dan Williams
Business Manager
Verde Valley School
3511 Verde Valley School Road
Sedona, AZ 86351

**Re: Public Notice of an Application for a
Certificate of Convenience and Necessity (CCN)
By Little Park Water Company**

Dear Dan:

Public Notice of Hearing on the Application of Little Park Water Company, Inc. for an Extension of It's Certificate of Convenience and Necessity to Provide Water Service in Yavapai County, Arizona (Docket Number W-02192a-07-0326)

On May 24, 2007, Little Park Water Company ("LPWC") filed with the Arizona Corporation Commission ("Commission") an application or an extension of its Certificate of Convenience and Necessity ("CC&N") to provide water service in Yavapai County, Arizona. The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding LPWC's application, and the Commission is not bound by the proposals made by LPWC, Staff, or any intervenors. The Commission will issue a decision regarding LPWC's application following consideration of testimony and evidence presented at an evidentiary hearing. Copies of the application are available at LPWC's offices (45 Castle Rock Road, Suite 4, Sedona, AZ) and the Commission's offices at 1200 West Washington, Phoenix, AZ, for public inspection during regular business hours and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

The Commission will hold a hearing on this matter beginning November 7, at 10:00 a.m., at the Commission's offices, 1200 West Washington, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted via email (visit <http://www.azcc.gov/utility/cons/index.htm> for instructions), or by mailing a letter referencing Docket Number W-02192A-07-0326 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you would like to intervene, you must file a written motion to intervene with the Commission, and you must send copies of the motion to the Company or its counsel, and to all parties of record in the case. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom documents are to be served in your place, if desired.

Mr. Dan Williams
October 12, 2007
Page 2

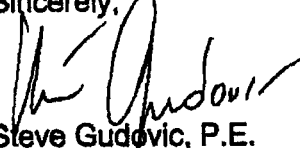
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.).
3. A statement certifying that a copy of your motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before October 15, 2007. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any person or entity from appearing at the hearing and making a statement on their own behalf.

If you have any questions about this application, you may contact LPWC at 928-284-2298. If you wish to file written comments on the application or want further information on intervention you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, AZ 85007 or call 1-800-222-7000.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Linda Hogan, E-mail Lhogan@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

Sincerely,



Steve Gudovic, P.E.
President

Little Park Water Company

A-4

SALLQUIST, DRUMMOND & O'CONNOR, P.C.

ATTORNEYS AT LAW
TEMPE OFFICE
4500 S. LAKESHORE DRIVE
SUITE 339
TEMPE, ARIZONA 85282

RICHARD L. SALLQUIST

PHONE (602) 224-9222
FACSIMILE (480) 345-0412
E-MAIL dick@sd-law.com

October 23, 2007

HAND DELIVERY

Shauna Lee-Rice
Arizona Corporation Commission
Docket Control
1200 West Washington Street
Phoenix, Arizona 85007

Re: Little Park Water Company; Docket No. W-02192A-07-0326; Late Filed Exhibit

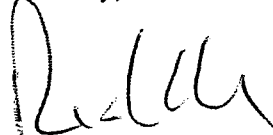
Dear Ms. Lee-Rice:

The October 1, 2007 Staff Report in the Subject Docket recommended that the Company file a Curtailment Tariff. Enclosed please find fifteen (15) copies of a proposed Curtailment Tariff in the Engineering Division's recommended form.

The Company requests that this Tariff be considered as a late-filed exhibit and be approved as part of this Docket.

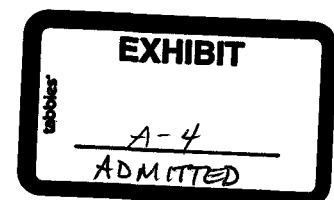
In the event you have any request is regarding this matter, please do not hesitate to contact Steve Gudovic at the Company or the undersigned.

Sincerely,



Richard L. Sallquist

Cc: Linda Jaress
Legal Division
Hearing Division
Engineering Division
Steve Gudovic



DOCKET W-02192

Cancelling Sheet No.

Applies to all WATER service areas

PART TWO

**STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE**

**I. CURTAILMENT PLAN FOR LITTLE PARK WATER COMPANY,
INC.**

ADEQ Public Water System Number: AZ 13-075

Little Park Water Company. Inc. ("Company") is authorized to curtail water service to all customers, within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan, and the Drought Preparedness Plan and Water Conservation Plan to the Arizona Department of Water Resources applicable to the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Issued: _____, 2007

Effective: _____, 2007

ISSUED BY:

Stevan Guodvic, President
Little Park Water Company, Inc.
45 Castle Rock Road, Suite #4
Sedona, Arizona 86351

DOCKET W-02192

Cancelling Sheet No.

Applies to all **WATER** service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as steadily declining water table, an increased draw-down threatening pump operations, or poor water production creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.
- c. Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Issued: _____, 2007

Effective: _____, 2007

ISSUED BY:

Stevan Guodvic, President
Little Park Water Company, Inc.
45 Castle Rock Road, Suite #4
Sedona, Arizona 86351

DOCKET W-02192

Cancelling Sheet No.

Applies to all **WATER** service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, Company shall request the customer to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, Company shall post at least four signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision served by the Company.

Issued: _____, 2007

Effective: _____, 2007

ISSUED BY:

Stevan Guodvic, President
Little Park Water Company, Inc.
45 Castle Rock Road, Suite #4
Sedona, Arizona 86351

DOCKET W-02192

Cancelling Sheet No.

Applies to all **WATER** service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than stage three until a permanent solution has been implemented.

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

Issued: _____, 2007

Effective: _____, 2007

ISSUED BY:

Stevan Guodvic, President
Little Park Water Company, Inc.
45 Castle Rock Road, Suite #4
Sedona, Arizona 86351

DOCKET W-02192

Cancelling Sheet No.

Applies to all **WATER** service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

- ◆ Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- ◆ Washing of any vehicle is prohibited
- ◆ The use of water for dust control or any outdoor cleaning uses is prohibited
- ◆ The use of drip or misting systems of any kind is prohibited
- ◆ The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- ◆ The use of construction water is prohibited
- ◆ Restaurant patrons shall be served water only upon request
- ◆ Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of additional service lines and meter installations is prohibited.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least four (4) signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to the major subdivision served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

Issued: _____, 2007

Effective: _____, 2007

ISSUED BY:

Stevan Guodvic, President
Little Park Water Company, Inc.
45 Castle Rock Road, Suite #4
Sedona, Arizona 86351

DOCKET W-02192

Cancelling Sheet No.

Applies to all **WATER** service areas

PART TWO

STATEMENT OF TERMS AND CONDITIONS
WATER SERVICE

Customers who fail to comply with cessation of outdoor use provisions will be given a written notice to end all outdoor use. Failure to comply with in two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply in an attempt to maintain the supply until a permanent solution has been implemented.

Issued: _____, 2007

Effective: _____, 2007

ISSUED BY:

Stevan Guodvic, President
Little Park Water Company, Inc.
45 Castle Rock Road, Suite #4
Sedona, Arizona 86351

MEMORANDUM

LEGAL
RECEIVED

Kenya

2007 OCT -1 A 9:08

TO: Docket Control
FROM: Ernest G. Johnson
Director
Utilities Division

AZ CORP COMMISSION
DOCKET CONTROL

DATE: October 1, 2007

RE: STAFF REPORT FOR LITTLE PARK WATER COMPANY, INC. FOR AN
EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY
TO PROVIDE WATER SERVICE IN YAVAPAI COUNTY, ARIZONA
DOCKET NO. W-02192A-07-0326

Attached is the Staff Report for the above referenced application. Staff recommends the Commission issue an Order Preliminary.

EGJ:LAJ:kdh

Originator: Linda Jaress

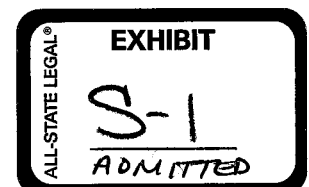
RECEIVED

OCT 01 2007

LEGAL DIV.
ARIZ. CORPORATION COMMISSION

FILE COPY

LITTLEPARK0326



Service List for: Little Park Water Company, Inc.
Docket No. W-02192A-07-0326

Mr. Richard Sallquist
Sallquist, Drummond & O'Connor
4500 South Lakeshore Drive, Suite 339
Tempe, Arizona 85282

Mr. Christopher C. Kempley
Chief, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Mr. Ernest G. Johnson
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Lyn Farmer
Chief, Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

LITTLE PARK WATER COMPANY, INC.
DOCKET NO. W-02192A-07-0326


APPLICATION FOR APPROVAL OF AN EXTENSION OF A
CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE
WATER IN YAVAPAI COUNTY, ARIZONA

OCTOBER 1, 2007

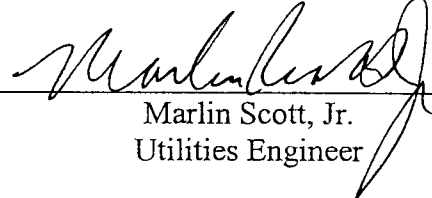
STAFF ACKNOWLEDGEMENT

The Staff Report for Little Park Water Company, Inc. (Docket No. W-02192A-07-0326) was prepared by the Staff members listed below. Linda Jaress prepared the Staff Report. Marlin Scott, Jr. prepared the Engineering Report.

Contributing Staff:



Linda A. Jaress
Executive Consultant III



Marlin Scott, Jr.
Utilities Engineer

**EXECUTIVE SUMMARY
LITTLE PARK WATER COMPANY, INC.
DOCKET NO. W-02192A-07-0326**

On May 24, 2007, Little Park Water Company, Inc., ("Little Park" or "the Company") filed an application to extend its Certificate of Convenience and Necessity. Little Park provides water utility service to approximately 68 customers in Yavapai County near the Village of Oak Creek.

The Company is proposing to serve the existing Verde Valley School ("the School"). The School is a preparatory academy and boarding school with approximately 120 students, plus staff. Currently, the School provides its own water from an existing well which has tested at 25 parts per billion of arsenic. According to the Company, the school is requesting water service from the Company to resolve its fire flow and arsenic level.

Little Park has reported that the arsenic levels for its own two wells are 26 parts per billion ("ppb") and 27 ppb while the new maximum contaminant level ("MCL") is 10 ppb. The Company intends to file a Arizona Department of Environmental Quality ("ADEQ") Request for Exemption to receive a time extension to comply with the Arizona Administrative Code, Section R18-4-111. The Company cites lack of funds to finance arsenic treatment systems as the reason for requesting the exemption.

Staff is concerned about the continued provision of water which exceeds the arsenic standard to a school and, potentially, to a camp for children who are ill. Staff is also concerned that Little Park has yet to request a waiver from ADEQ allowing an exemption from the arsenic standard. Staff does not believe it is in the public interest for the Commission to give its final approval of the extension until Little Park has either resolved its arsenic problem or received an exemption from ADEQ. Staff will be monitoring Little Park's arsenic compliance efforts and is prepared to take appropriate and necessary action.

Based upon the apparent inability of Little Park to either comply with the arsenic standard or receive an exemption from ADEQ by the date of the hearing, Staff recommends the Commission issue an Order Preliminary whereby the Company would be required to either file evidence of the installation and operation of an arsenic treatment system for Little Park and the extension area (the ADEQ Certificate of Approval of Construction) or file a copy of the exemption from the arsenic standard from ADEQ with all related ADEQ documents by December 31, 2008.

Staff recommends that before the final CC&N is issued, the Company should comply with the following:

1. Staff recommends that the Company file with Docket Control, as a compliance item by December 31, 2008 in this docket, a copy of the ADEQ Certificate of Approval of Construction ("AOC") for the installation of the arsenic treatment systems or file a copy of the approved Exemption from ADEQ.
2. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, within two years of the effective date of an order in this proceeding, a letter from ADWR indicating that the CC&N extension area is included within the Company's Designation.
3. Staff recommends that the Company file a curtailment tariff in the form found on the Commission's website at www.azcc.gov/divisions/utilities/forms/Curtailment-Std.pdf. This tariff shall be docketed as a compliance item in this case within 45 days of the effective date of an order in this proceeding for review and certification by Staff.

When the Company complies with all the foregoing, it should file a request for a final order from the Commission.

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ATTACHMENT(S)

ENGINEERING MAP	1
ENGINEERS REPORT	2

Introduction

On May 24, 2007, Little Park Water Company, Inc., ("Little Park" or "the Company") filed an application to extend its Certificate of Convenience and Necessity. Little Park provides water utility service to approximately 68 customers in Yavapai County near the Village of Oak Creek. Little Park is located approximately 2 miles from Big Park Water Company, which shares common ownership and serves approximately 3,000 customers. The systems of the two companies are interconnected. Little Park is operating under rates set in 1991 under a previous owner. The Company has an arsenic impact hook-up fee tariff on file with the Commission.

Proposed Extension Area

The requested area is contiguous to Little Park's current Certificate of Convenience & Necessity ("CC&N") area and will add approximately one-quarter square-mile to the Company's existing one-half square-mile of certificated area. Attached as Exhibit 1 is a map and legal description of the extension area.

The Company is proposing to serve the existing Verde Valley School ("the School"). The School is a preparatory academy and boarding school with approximately 120 students, plus staff. Currently, the School provides its own water from an existing well which has been tested at 25 parts per billion of arsenic. According to the Company, the school is requesting water service from the Company to resolve its fire flow and arsenic level.

However, the proposed service territory will also include a summer camp. The minutes of the Yavapai Board of Supervisors ("the Board") meeting of August 20, 2007, indicate that the Board approved a Use Permit for Verde Valley School to construct a summer camp and to expand the school within the proposed CC&N extension.

According to documents filed with Yavapai County, the camp is planned to serve children with special medical needs and may become affiliated with the Hole in the Wall Gang camp organization. Camp facilities will include a medical care center, a recreation center, dining hall, cabins, a 1.5 acre lake with boathouse, pool, theater, chapel, guard shack and visitor housing. Construction is expected to begin immediately. The School's current well will be the source of water for the lake. The School expects that the camp will serve approximately 120 campers at any one time with approximately 60 staff and volunteers. The camp will operate during the summer when the School is not in session. The School's sewer service is currently served by a tank and leach field system.

Water Facilities

The Company has two wells producing a total of 128 gallons per minute, three storage tanks totaling 27,600 gallons, and a distribution system serving 68 service connections as of December 2006. The Company is also interconnected to Big Park Water Company with an 8-

inch water main for fire flow protection. Exhibit 2, Staff's Engineering Report, further discusses the current system and the Company's capacity.

The Company is proposing to extend its water system into the requested area by extension of its distribution system through the use of a main extension agreement ("MXA") and hook-up fees. Within its application, the Company submitted a copy of this MXA indicating a total estimated cost of \$366,754. Staff believes the estimated cost to be reasonable.

Staff concludes that the existing system has adequate water sources and storage capacity to serve the existing and proposed CC&N extension area within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future.

Arizona Department of Environmental Quality Compliance

Based on compliance information submitted by the Company, the system has no deficiencies and ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, and Chapter 4.

The Company has reported that the arsenic levels for its two wells are 26 parts per billion ("ppb") and 27 ppb while the new maximum contaminant level ("MCL") is 10 ppb. The Company intends to file a Request for Exemption to receive a time extension to comply with Arizona Administrative Code, Section R18-4-111. The Company cites lack of funds to finance arsenic treatment systems as the reason for requesting an exemption from ADEQ. Upon obtaining the CC&N extension approval in this proceeding and the future MXA approval by Staff, the Company believes it will be in a position to collect funds under the present arsenic hook-up tariff and commence with constructing the arsenic treatment systems.

Arizona Department of Water Resources Compliance

The Company is not located within an Active Management Area is not subject to Arizona Department of Water Resources' reporting and conservation requirements.

The Company holds a Designation of Adequate Water Supply ("Designation") for its existing service area. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, within two years of the effective date of an order in this proceeding, a copy of a modified Designation from ADWR that includes the requested area.

Arizona Corporation Commission Compliance

The Company is in compliance with previous Commission decisions.

Curtailment Tariff

The Company does not have an approved curtailment tariff. Staff recommends that the Company file a curtailment tariff in the form found on the Commission's website at www.azcc.gov/divisions/utilities/forms/Curtailment-Std.pdf. This tariff shall be docketed as a compliance item in this case within 45 days of the effective date of an order in this proceeding for review and certification by Staff.

Backflow Prevention Tariff

The Company has an approved backflow prevention tariff that became effective on July 8, 1992.

Arsenic Impact Hook-Up Fee ("AIHUF") Tariff

The Company has an approved AIHUF tariff that became effective on June 1, 2005.

Conclusions and Recommendations

Staff concludes that the existing system has adequate water sources and storage capacity to serve the existing and proposed CC&N extension area within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future.

However, Staff is concerned about the continued provision of water which exceeds the arsenic standard to a school and, potentially, to a camp for children who are ill. Staff is also concerned that Little Park has yet to request a waiver from ADEQ allowing an exemption from the arsenic standard. Staff does not believe it is in the public interest for the Commission to give its final approval of the extension until Little Park has either resolved its arsenic problem or received an exemption from ADEQ. Staff will be monitoring Little Park's arsenic compliance efforts and is prepared to take appropriate and necessary action.

Based upon the apparent inability of Little Park to either comply with the arsenic standard or receive an exemption from ADEQ by the date of the hearing, Staff recommends the Commission issue an Order Preliminary whereby the Company would be required to either file evidence of the installation and operation of an arsenic treatment system for Little Park and the extension area (the ADEQ Certificate of Approval of Construction) or file a copy of the exemption from the arsenic standard from ADEQ with all related ADEQ documents by December 31, 2008.

Staff recommends that before the final CC&N is issued, the Company should comply with the following:

1. Staff recommends that the Company file with Docket Control, as a compliance item by December 31, 2008 in this docket, a copy of the ADEQ Certificate of Approval of

Construction ("AOC") for the installation of the arsenic treatment systems or file a copy of the approved Exemption from ADEQ.

2. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, within two years of the effective date of an order in this proceeding, a letter from ADWR indicating that the CC&N extension area is included within the Company's Designation.
3. Staff recommends that the Company file a curtailment tariff in the form found on the Commission's website at www.azcc.gov/divisions/utilities/forms/Curtailment-Std.pdf. This tariff shall be docketed as a compliance item in this case within 45 days of the effective date of an order in this proceeding for review and certification by Staff.

When the Company complies with all the foregoing, it should file a request for a final order from the Commission.

MEMORANDUM

TO: Linda Jaress
Executive Consultant III
Utilities Division

FROM: Barb Wells *bw*
Information Technology Specialist
Utilities Division

THRU: Del Smith *DS*
Engineering Supervisor
Utilities Division

DATE: August 6, 2007

RE: **LITTLE PARK WATER COMPANY (DOCKET NO. W-02192A-07-0326)**
REVISED LEGAL DESCRIPTION

The area requested by Little Park for an extension of water service has been plotted with no complications using a revised legal description, which was docketed on July 30, 2007. This legal description is attached and should be used in place of the original description submitted with the application.

Also attached are copies of the maps for your files.

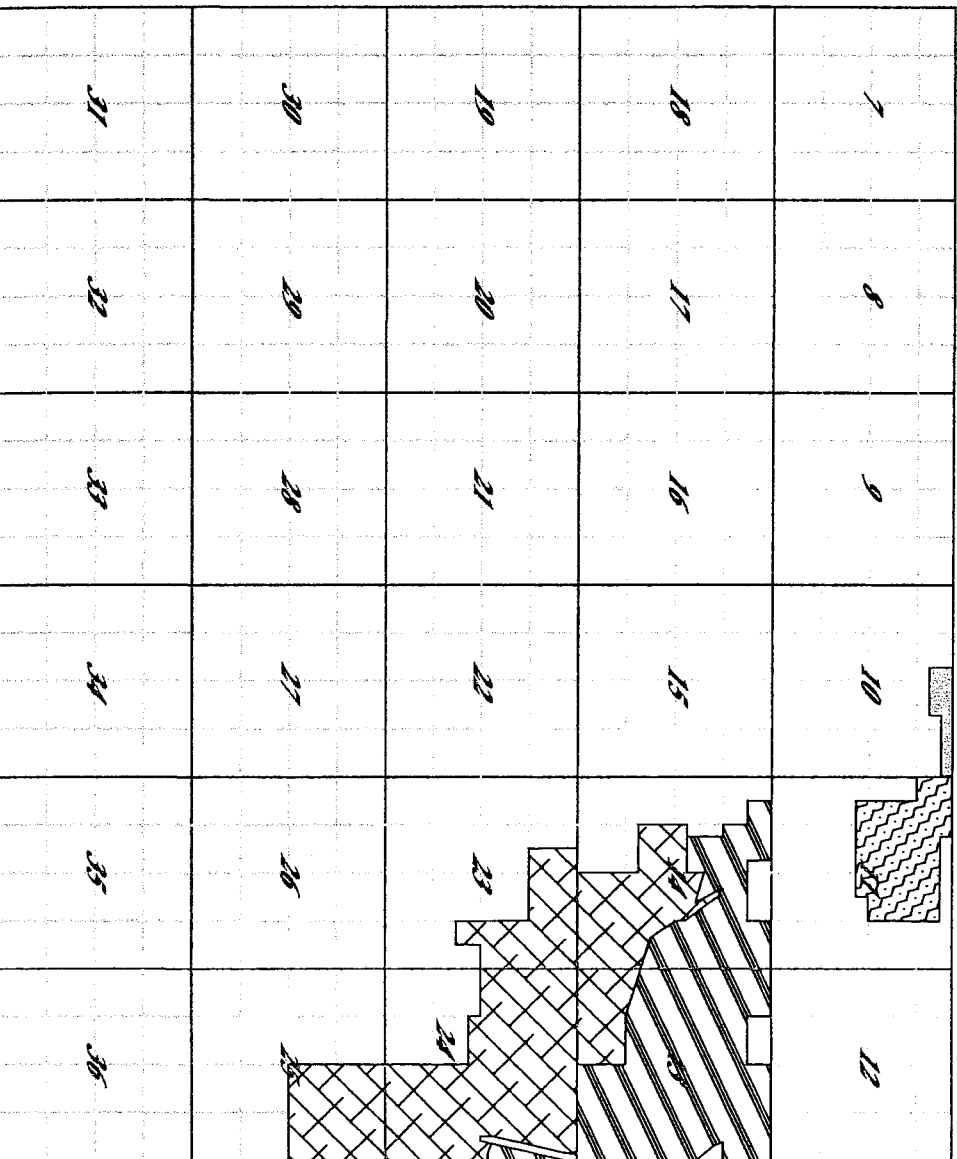
:bsw

Attachments

cc: Mr. Richard Sallquist
Ms. Deb Person (Hand Carried)
File

COUNTY of Yavapai

RANGE 5 East



TOWNSHIP 16 North



W-1445 (5)(3)

Arizona Water Company (Sedona)



W-1624 (2)

Big Park Water Company



W-2192 (2)

Little Park Water Company, Inc.



(2)

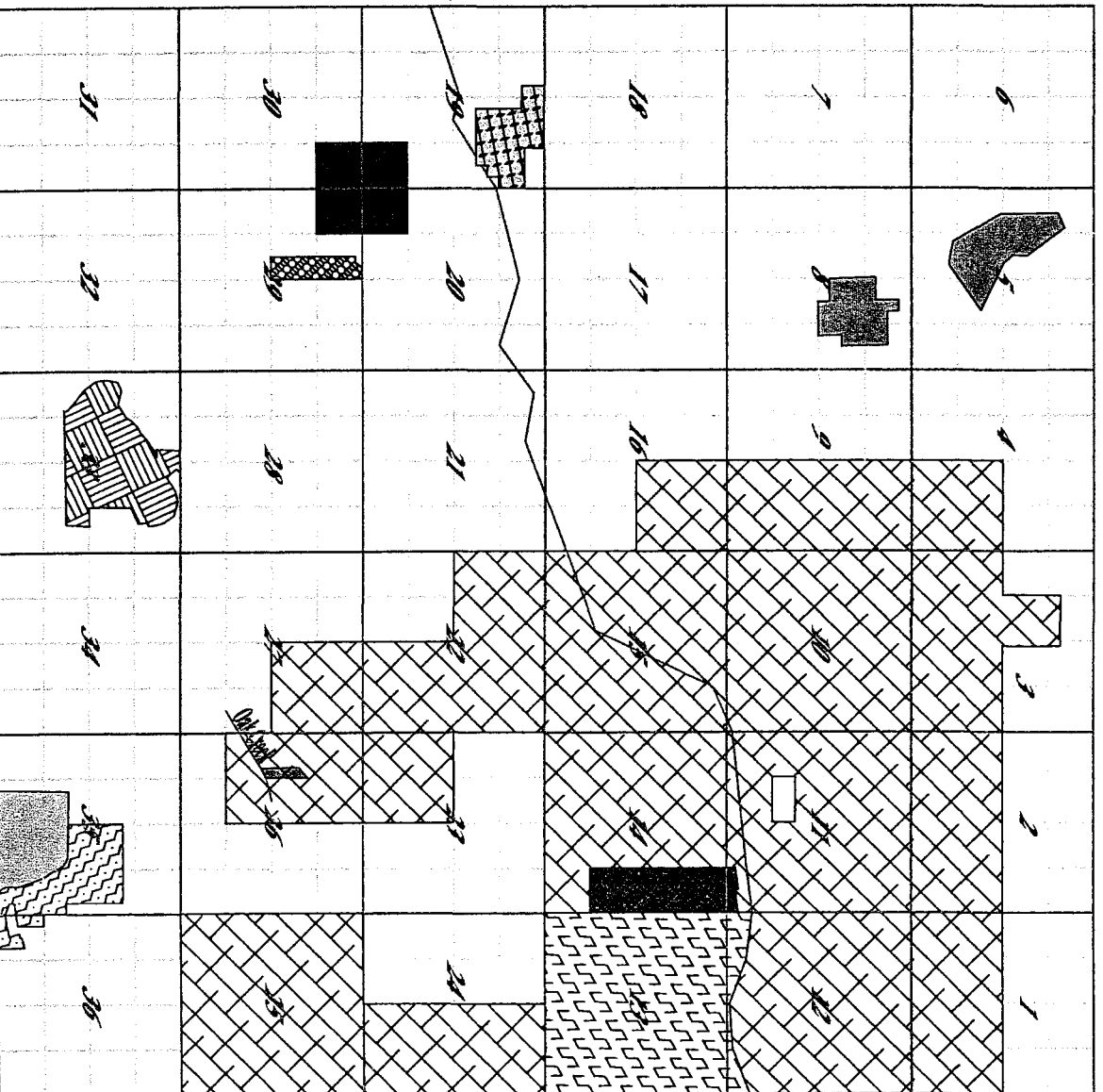
Little Park Water Company

Docket No. W-02192A-07-0326





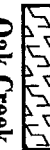
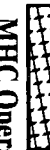






Application for Extension

COCONINO COUNTY, Navapai

RANGE 5 East






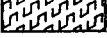









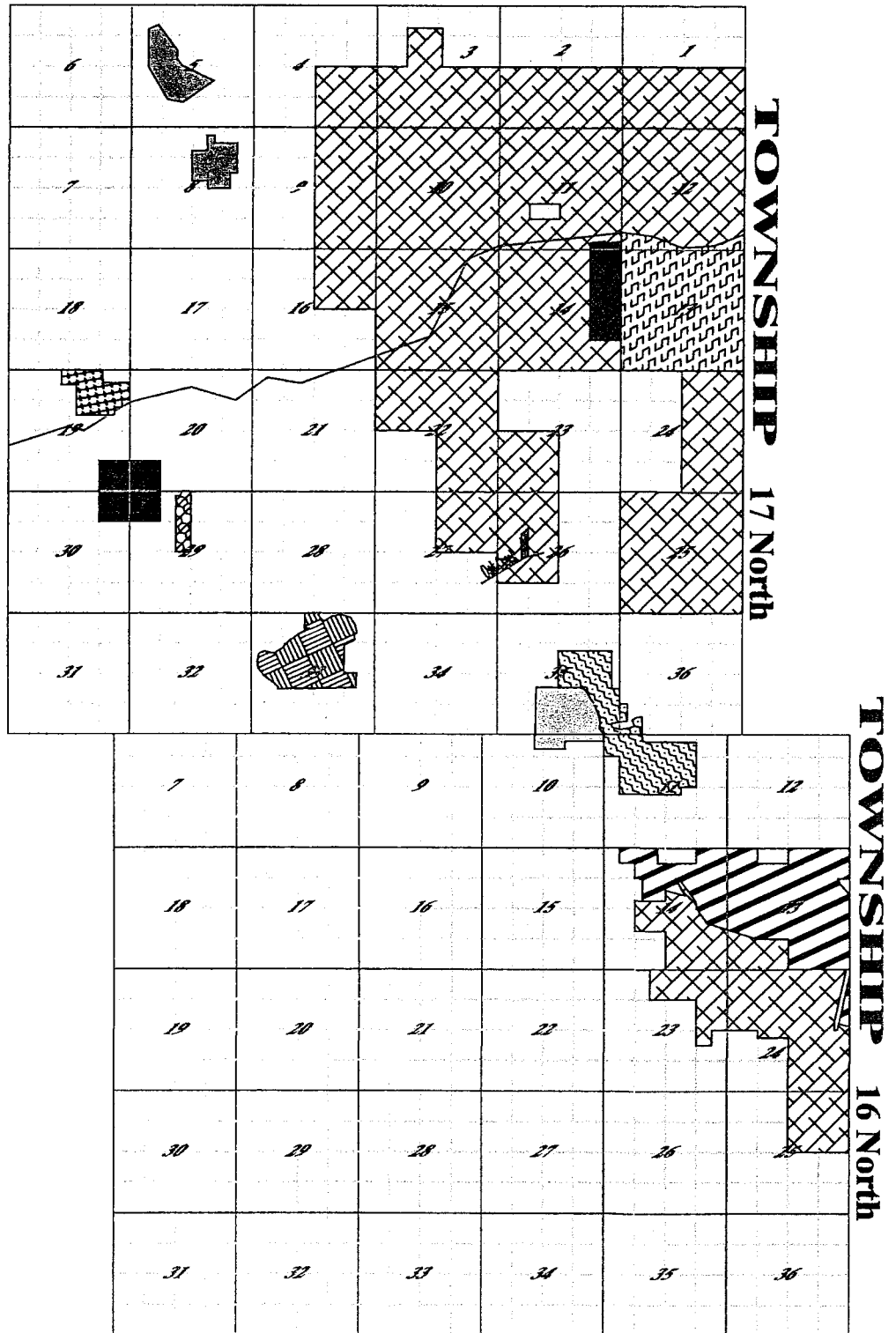
TOWNSHIP 17 North

-  W-1445 (5)(3)
Arizona Water Company (Sedona)
-  W-4131 (1)
Cross Creek Ranch Water Company
-  W-2192 (2)
Little Park Water Company
-  W-2624 (1)
Michaels Ranch Water Users' Assoc.
-  W-1392 (1)
Oak Creek Water Company No. 1
-  WS-3449 (1)  Sewer
MHC Operating Limited Partnership
dba Sedona Venture Water & Sewer Company
-  W-4291 (1)
Aerie Conservancy
Adjudicated 'Not a Public Service Corporation'
-  (1)
City of Sedona (Nonjurisdictional)
-  (1)
Red Rock Crossing Mobile Village, Inc.
(Nonjurisdictional)
-  (1)
Red Rock Water Cooperative, Inc.
Adjudicated 'Not a Public Service Corporation'
-  (2)
Little Park Water Company
Docket No. W-02192A-07-0326
Application for Extension

COUNTY: *Yavapai*

RANGE 5 East

-  W-1445 (5)(3)
Arizona Water Company (Sedona)
-  W-1624 (2)
Big Park Water Company
-  W-4131 (1)
Cross Creek Ranch Water Company
-  W-2192 (2)
Little Park Water Company
-  W-2624 (1)
Michaels Ranch Water Users' Assoc.
-  W-1392 (1)
Oak Creek Water Company No. 1
-  WS-3449 (1)  Sewer
MHC Operating Limited Partnership
dba Sedona Venture Water & Sewer Company
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Aerie Conservancy
Adjudicated 'Not a Public Service Corporation'
-  (1)
City of Sedona (Nonjurisdictional)
-  (1)
Red Rock Crossing Mobile Village, Inc.
(Nonjurisdictional)
-  (1)
Red Rock Water Cooperative, Inc.
Adjudicated 'Not a Public Service Corporation'
-  (2)
Little Park Water Company
Docket No. W-02192A-07-0326
Application for Extension



**Superior
Surveying
Services, Inc.**

PROFESSIONAL LAND SURVEYING IN ARIZONA

Randy S. Delbridge, President

21415 North 23rd Avenue
Phoenix, Arizona 85027
(623) 869-0223 Fax (623) 869-0726

Member A.C.S.M., A.P.L.S., G.L.I.S.

Job Number: 250709

Page 1 of 2
August 10, 2005
Revised: July 25, 2007

**DESCRIPTION OF RESIDENTIAL PARCEL AT VERDE VALLEY SCHOOL,
3511 VERDE VALLEY SCHOOL ROAD, YAVAPAI COUNTY, ARIZONA**

A portion of the South half of Section 35, Township 17 North, Range 5 East and a portion of the North half of Section 10, Township 16 North, Range 5 East of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, being more particularly described as follows:

COMMENCING at a USDAFS Aluminum Cap set in concrete marking the Northwest corner of the Northeast quarter of the Southwest quarter of the Northeast quarter of the Southwest quarter of said Section 35 from which a USDAFS Aluminum Cap marking the Southwest corner of the Southeast quarter of the Southwest quarter of the Southeast quarter of the Southwest quarter of said Section 35 bears South 00 degrees 53 minutes 55 seconds West 2057.45 feet said line being the basis of bearings for this description;

THENCE South 89 degrees 02 minutes 05 seconds East 1439.52 feet to the POINT OF BEGINNING;

THENCE continuing South 89 degrees 02 minutes 05 seconds East 477.24 feet to the beginning of a non-tangent curve to the right the center of which bears South 05 degrees 36 minutes 30 seconds West 368.30 feet;

THENCE along the arc of said non-tangent curve to the left through a central angle of 60 degrees 38 minutes 34 seconds, an arc distance of 389.81 feet;

THENCE South 23 degrees 44 minutes 59 seconds East 6.36 feet to the beginning of a tangent curve to the left having a radius of 1382.40 feet;

THENCE along the arc of said curve through a central angle of 11 degrees 17 minutes 40 seconds, an arc distance of 272.51 feet;

THENCE South 35 degrees 02 minutes 39 seconds East 244.68 feet to the beginning of a tangent curve to the right having a radius of 622.96 feet;

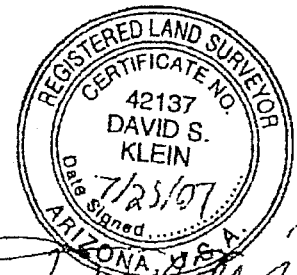
THENCE along the arc of said curve through a central angle of 15 degrees 33 minutes 55 seconds, an arc distance of 169.24 feet;

THENCE South 19 degrees 28 minutes 44 seconds East 570.56 feet to the beginning of a tangent curve to the right having a radius of 299.11 feet;

THENCE along the arc of said curve through a central angle of 26 degrees 46 minutes 10 seconds, an arc distance of 139.75 feet;

THENCE South 07 degrees 17 minutes 26 seconds West 169.75 feet to the beginning of a tangent curve to the left having a radius of 268.31 feet;

THENCE along the arc of said curve through a central angle of 43 degrees 25 minutes 05 seconds, an arc distance of 203.32 feet;



Revised Attachment 4 to Attachment A

**Superior
Surveying
Services, Inc.**

PROFESSIONAL LAND SURVEYING IN ARIZONA

Randy S. Delbridge, President

21415 North 23rd Avenue
Phoenix, Arizona 85027
(623) 869-0223 Fax (623) 869-0726

Member A.C.S.M., A.P.L.S., G.L.I.S.

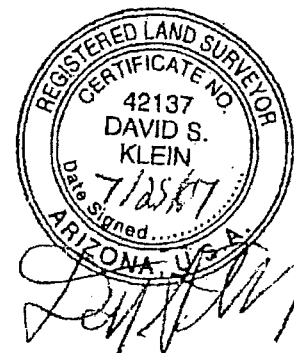
Job Number: 250709

Page 2 of 2
August 10, 2005
Revised: July 25, 2007

**DESCRIPTION OF RESIDENTIAL PARCEL AT VERDE VALLEY SCHOOL,
3511 VERDE VALLEY SCHOOL ROAD, YAVAPAI COUNTY, ARIZONA**

THENCE South 36 degrees 07 minutes 39 seconds East 217.00 feet to the South line of the Southeast quarter of said Section 35;
THENCE South 89 degrees 58 minutes 04 seconds West 28.72 feet along said South line;
THENCE South 00 degrees 08 minutes 18 seconds East 298.94 feet to the Southeast corner of GLO Lot 5 of said Section 10;
THENCE South 89 degrees 49 minutes 54 seconds West 1319.45 feet along the South line of said Lot 5 to the Southeast corner of GLO Lot 6 of said Section 10;
THENCE South 89 degrees 48 minutes 13 seconds West 329.86 feet along the South line of said Lot 6;
THENCE South 00 degrees 12 minutes 21 seconds East 330.55 feet;
THENCE South 89 degrees 47 minutes 38 seconds West 516.92 feet;
THENCE North 00 degrees 31 minutes 17 seconds East 330.67 feet;
THENCE North 89 degrees 48 minutes 13 seconds East 217.28 feet to the Southerly extension of the North-South Mid-Section line of said Section 35;
THENCE North 00 degrees 31 minutes 17 seconds East 978.04 feet along said Mid-Section line;
THENCE North 61 degrees 30 minutes 14 seconds East 524.32 feet;
THENCE North 00 degrees 31 minutes 17 seconds East 1107.77 feet to the POINT OF BEGINNING.


COMPRISING 78.790 acres or 3,432,075 square feet more or less, subject to all easements of record.



MEMORANDUM

DATE: September 26, 2007

TO: Linda Jaress
Executive Consultant III

FROM: Marlin Scott, Jr. 
Utilities Engineer

RE: LITTLE PARK WATER COMPANY, INC.
DOCKET NO. W-02192A-07-0326 (CC&N EXTENSION)

Introduction

Little Park Water Company, Inc. ("Company") has applied to extend its Certificate of Convenience and Necessity ("CC&N"). The requested area will add approximately one-quarter square-mile to the Company's existing one-half square-mile of certificated area. The Company serves a community south of Sedona in Yavapai County.

The Company is proposing to serve the existing Verde Valley School. This school is a preparatory academy that has been in existence since 1948. Currently, the school provides water service to itself from an existing well to the occupants (approximately 120 students, plus staff) with an average water demand of 16,600 gallons per day ("GPD"). The sewer service is provided by septic tank and leach fields. According to the Company, the school is requesting water service from the Company to resolve its fire flow and arsenic requirements.

Capacity

Existing Utility Plant

According to the Company's 2006 Annual Report, the Company has two wells producing a total of 128 gallons per minute ("GPM"), three storage tanks totaling 27,600 gallons, and a distribution system serving 68 service connections as of December 2006. The Company is also interconnected to Big Park Water Company with an 8-inch water main for fire flow protection and a 2-inch by-pass master-meter capable of providing flows up to 160 GPM.

Based on historical growth rates, it is anticipated that the existing service area could grow to approximately 85 connections at the end of five years. The Company has estimated an average water demand of 16,600 GPD (equal to 15 connections) for the school, resulting in a projected total customer base of approximately 100 at the end of five years. Based on the

existing water sources and storage capacity, the system can serve its existing CC&N and extension area.

Proposed Plant Facilities

The Company is proposing to extend its water system into the requested area by extension of its distribution system through the use of a main extension agreement ("MXA") and hook-up fees. Within its application, the Company submitted a copy of this MXA indicating a total estimated cost of \$366,754.

Staff concludes that the existing system has adequate water sources and storage capacity to serve the existing and proposed CC&N extension area within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future.

As for the project cost of \$366,754, this estimated cost seems reasonable at this time. However, Staff will further evaluate this estimated cost when the Company submits its MXA for approval in the future.

Arizona Department of Environmental Quality ("ADEQ") Compliance

Compliance Status

ADEQ regulates the water system under ADEQ Public Water System I.D. #13-075. Based on compliance information submitted by the Company, the system has no deficiencies and ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, and Chapter 4.

Approval to Construct ("ATC")

The ATC for facilities needed to serve the requested area has not been submitted by the Company. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, within two years of the effective date of an order in this proceeding, a copy of the ATC for the plant facilities needed to serve the requested area.

Arsenic

According to the Company's 2006 Annual Report, the arsenic levels for its two wells are 26 parts per billion ("ppb") and 27 ppb. Based on these levels, the Company is in the process of preparing a Request for Exemption for the arsenic maximum contaminant level ("MCL") pursuant to Arizona Administrative Code, Section R18-4-111. At this time, the major reason for requesting an extension of time from ADEQ is the lack of capital funds to install the arsenic treatment systems. The Company does have an approved arsenic impact hook-up fee tariff on file. Upon obtaining the CC&N extension approval in this proceeding and the future MXA

approval by Staff, the Company believes it will be in a position to collect funds under the present arsenic hook-up tariff and commence with constructing the arsenic treatment systems.

Staff recommends that the Company file with Docket Control, as a compliance item by December 31, 2008 in this docket, a copy of the ADEQ Certificate of Approval of Construction ("AOC") for the installation of the arsenic treatment systems or file a copy of the approved Exemption from ADEQ.

Arizona Department of Water Resources ("ADWR") Compliance

Compliance Status

The Company is not located within any Active Management Area ("AMA") and therefore, is not subject to any reporting and conservation requirements.

Designation of Assured Water Supply

The Company holds a Designation of Adequate Water Supply ("Designation") for its existing service area. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, within two years of the effective date of an order in this proceeding, a letter from ADWR indicating that the CC&N extension area is included within the Company's Designation.

Arizona Corporation Commission Compliance

A check with the Utilities Division Compliance Section showed no delinquent compliance items for the Company.

Curtailment Tariff

The Company does not have an approved curtailment tariff. Staff recommends that the Company file a curtailment tariff in the form found on the Commission's website at www.azcc.gov/divisions/utilities/forms/Curtailment-Std.pdf. This tariff shall be docketed as a compliance item in this case within 45 days of the effective date of an order in this proceeding for review and certification by Staff.

Backflow Prevention Tariff

The Company has an approved backflow prevention tariff that became effective on July 8, 1992.

Arsenic Impact Hook-Up Fee ("AIHUF") Tariff

The Company has an approved AIHUF tariff that became effective on June 1, 2005.

Summary

Conclusions

- A. Staff concludes that the existing system has adequate water sources and storage capacity to serve the existing and proposed CC&N extension area within a conventional five year planning period and can reasonably be expected to develop additional production and storage as required in the future.
- B. Based on compliance information submitted by the Company, the Company's system has no deficiencies and ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.
- C. The Company is not within any AMA and therefore, is not subject to any reporting and conservation requirements.
- D. A check with the Utilities Division Compliance Section showed no delinquent compliance items for the Company.
- E. The Company has an approved backflow prevention tariff that became effective on July 8, 1992.
- F. The Company has an approved AIHUF tariff that became effective on June 1, 2005.

Recommendations

- 1. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, within two years of the effective date of an order in this proceeding, a copy of the ATC for the plant facilities needed to serve the requested area.
- 2. Staff recommends that the Company file with Docket Control, as a compliance item by December 31, 2008 in this docket, a copy of the ADEQ Certificate of Approval of Construction ("AOC") for the installation of the arsenic treatment systems or file a copy of the approved Exemption from ADEQ.
- 3. Staff recommends that the Company file with Docket Control, as a compliance item in this docket, within two years of the effective date of an order in this proceeding, a letter from ADWR indicating that the CC&N extension area is included within the Company's Designation.

4. Staff recommends that the Company file a curtailment tariff in the form found on the Commission's website at www.azcc.gov/divisions/utilities/forms/Curtailment-Std.pdf. This tariff shall be docketed as a compliance item in this case within 45 days of the effective date of an order in this proceeding for review and certification by Staff.

TARIFF SCHEDULE

S-2

Utility: _____
Docket No.: _____
Phone No.: _____

Tariff Sheet No.: 1 of 4
Decision No.: _____
Effective: _____

CURTAILMENT PLAN FOR

(Template 063004)

ADEQ Public Water System No: _____

_____ ("Company") is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

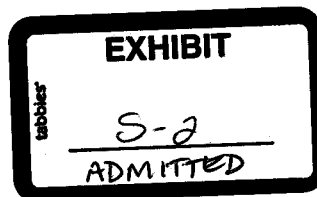
Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.



REVISED: June 30, 2004

TARIFF SCHEDULE

Utility: _____
Docket No.: _____
Phone No.: _____

Tariff Sheet No.: 2 of 4
Decision No.: _____
Effective: _____

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, Company shall post at least ____ signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

TARIFF SCHEDULE

Utility: _____
Docket No.: _____
Phone No.: _____

Tariff Sheet No.: 3 of 4
Decision No.: _____
Effective: _____

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- ◆ Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- ◆ Washing of any vehicle is prohibited
- ◆ The use of water for dust control or any outdoor cleaning uses is prohibited
- ◆ The use of drip or misting systems of any kind is prohibited
- ◆ The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- ◆ The use of construction water is prohibited
- ◆ Restaurant patrons shall be served water only upon request
- ◆ Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least _____ signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

TARIFF SCHEDULE

Utility: _____
Docket No.: _____
Phone No.: _____

Tariff Sheet No.: 4 of 4
Decision No.: _____
Effective: _____

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.